

MICHIGAN PUBLIC SERVICE COMMISSION

ANNUAL REPORT OF NATURAL GAS UTILITIES (MAJOR AND NONMAJOR)

This form is authorized by 1919 PA 419, as amended, authorizes this form being MCL 460.51 et seq.; and 1969 PA 306, as amended, being MCL 24.201 et seq. Filing of this form is mandatory.

Failure to complete and submit this form will place you in violation of the Acts.

Report submitted for year ending:	December 31, 2011
Present name of respondent:	Michigan Consolidated Gas Company
Address of principal place of business:	One Energy Plaza Detroit, Michigan 48226-1279
Utility representative to whom inquiries regarding this report may be directed:	
Name	Peter B. Oleksiak
Title	Vice President and Controller
Address	One Energy Plaza
City	Detroit
State	Michigan
Zip Code	48226-1279
Telephone, Including Area Code	(313) 235-4000
If the utility name has been changed during the past year:	
Prior Name:	N/A
Date of Change:	N/A
Two copies of the published annual report to stockholders: N/A	
<input type="checkbox"/> were forwarded to the Commission	
<input type="checkbox"/> will be forwarded to the Commission	
on or about _____, 2012.	
Annual reports to stockholders:	
<input type="checkbox"/> are published. <input checked="" type="checkbox"/> are not published.	

FOR ASSISTANCE IN COMPLETION OF THIS FORM:

Contact the Michigan Public Service Commission (Heather Cantin) at
(517) 241-0967 or cantinh@michigan.gov OR forward correspondence to:

DLARA/MPSC
Regulated Energy Division
4300 W Saginaw
Lansing, MI 48917



Report of Independent Auditors

To Management of
Michigan Consolidated Gas Company:

We have audited the accompanying balance sheets of Michigan Consolidated Gas Company as of December 31, 2011 and 2010 and the related statements of income, of retained earnings, of cash flows and of accumulated comprehensive income, comprehensive income and hedging activities for the years then ended, included on pages 110 through 123 of the accompanying Michigan Public Service Commission Form P-522. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Item 6 on page 123.1, these financial statements were prepared in accordance with the accounting requirements of the Michigan Public Service Commission as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than generally accepted accounting principles in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Michigan Consolidated Gas Company as of December 31, 2011 and 2010, and the results of its operations and its cash flows for the years then ended in accordance with the accounting requirements of the Michigan Public Service Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

This report is intended solely for the information and use of the management of Michigan Consolidated Gas Company and for filing with the Michigan Public Service Commission and should not be used for any other purpose.

PricewaterhouseCoopers LLP

March 19, 2012

MPSC FORM P-522

ANNUAL REPORT OF NATURAL GAS COMPANIES (MAJOR AND NONMAJOR)

IDENTIFICATION		
01 Exact Legal Name of Respondent Michigan Consolidated Gas Company		02 Year of Report December 31, 2011
03 Previous Name and Date of Change (if name changed during year)		
04 Address of Principal Office at End of Year (Street, City, St., Zip) One Energy Plaza Detroit, MI. 48226-1279		
05 Name of Contact Person Peter B. Oleksiak	06 Title of Contact Person Vice President and Controller	
07 Address of Contact Person (Street, City, St., Zip) One Energy Plaza Detroit, MI. 48226-1279		
08 Telephone of Contact Person, Including Area Code: (313) 235-4000	09 This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr) 12-31-11
ATTESTATION		
The undersigned officer certifies that he/she has examined the accompanying report; that to the best of his/her knowledge, information, and belief, all statements of fact contained in the accompanying report are true and the accompanying report is a correct statement of the business and affairs of the above named respondent in respect to each and every matter set forth therein during the period from and including January 1 to and including December 31 of the year of the report.		
01 Name Peter B. Oleksiak	03 Signature: /s/ Peter B. Oleksiak	04 Date Signed: (Mo, Da, Yr) 4-18-12
02 Title Vice President and Controller		

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2011
LIST OF SCHEDULES (Natural Gas Company)			
Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none," "not applicable," or "NA."			
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MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011	
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MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2011
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GENERAL INFORMATION

1. Provide name and title of officer having custody of the general corporate books of account and address of where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Mr. Peter B. Oleksiak, Vice President and Controller
One Energy Plaza, Detroit, Michigan 48226-1279

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

Michigan - January 12, 1898

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

Not Applicable

4. State the classes of utility and other services furnished by respondent during the year in each State in which the respondent operated.

Gas Utility - Michigan

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

(1) ☐ YES ...Enter the date when such independent accountant was initially engaged:_____.

(2) ☒ NO

MICHIGAN CONSOLIDATED GAS COMPANY	AN ORIGINAL	December 31, 2011
CONTROL OVER RESPONDENT		
<ol style="list-style-type: none">1. If any corporation, business trust, or similar organization or combination of such organization jointly held control over the respondent at end of year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.2. List any entities which respondent did not control either directly or indirectly and which did not control respondent but which were associated companies at any time during the year.3. If the above required information is available from the SEC 10-K Report Form filing, a specific reference to the report form (i.e. year and company title) may be listed provided the fiscal years for both the 10-K report and this report are compatible.		
<p>MichCon Holdings, Inc. is the holding company of the respondent. The attached pages 102a - 102o detail the chain of ownership and control to the main parent company.</p>		

I. NATURE OF BUSINESS OF CLAIMANTS AND EVERY SUBSIDIARY THEREOF

Claimant: DTE Energy Company

DTE Energy Company (“Company” or “DTE”) is a Michigan corporation. DTE owns, directly and indirectly, three utilities, The Detroit Edison Company (“Detroit Edison”), Michigan Consolidated Gas Company (“MichCon”) and Citizens Gas Fuel Company (“Citizens”), and non-regulated subsidiaries engaged in energy marketing and trading, energy services, and various other electricity, coal and gas related businesses. The Company’s address is One Energy Plaza, Detroit, Michigan 48226-1279.

Claimant: DTE Enterprises, Inc.

DTE Enterprises, Inc. (“DTEE”) owns, directly and indirectly, two utilities, MichCon and Citizens, and non-regulated subsidiaries primarily involved in natural gas production, gathering, processing, transmission, storage, distribution and marketing in the Midwest-to-Northeast corridor. DTEE is organized under the laws of the state of Michigan and has its principal executive offices at One Energy Plaza, Detroit, Michigan 48226-1279.

Claimant: MichCon Holdings, Inc.

MichCon Holdings, Inc. is the holding company for MichCon and MichCon Enterprises, Inc. MichCon is a public utility engaged in the distribution and transmission of natural gas in the state of Michigan. MichCon’s principal executive offices are located at One Energy Plaza, Detroit, Michigan 48226-1279. MichCon conducts substantially all of its business in the state of Michigan and is subject to the jurisdiction of the Michigan Public Service Commission (“MPSC”) as to various phases of its operations, including gas sales rates, service, and accounting. MichCon Enterprises, Inc. (a non-regulated affiliate) was formed to engage in non-regulated activities.

1. DTE Energy Company

- A. DTE Energy Corporate Services, LLC (“Corporate Services”), is a Michigan company. Corporate Services is a wholly owned subsidiary of DTE Energy Company with offices at One Energy Plaza, Detroit, Michigan 48226-1279. Corporate Services provides functional support to the DTE Energy enterprise.
- B. DTE Energy Resources, LLC (“DTE ER”), formerly DTE Energy Resources, Inc., is a Delaware company. DTE ER is a wholly owned subsidiary of the Company with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE ER is engaged in energy services, electric generation, electric and gas marketing and trading and landfill gas projects.
 1. DTE Biomass Energy, Inc. (“DTE Biomass”) is a Michigan corporation with offices at 425 S. Main, Ann Arbor, Michigan 48104. DTE Biomass is a wholly owned subsidiary of DTE ER and is engaged in landfill gas projects
 - a. Adrian Energy Associates, LLC (“Adrian Energy”) is a Michigan company with offices at 29261 Wall Street, Wixom, Michigan 48393. Adrian Energy is a 50% owned subsidiary of DTE Biomass and is engaged in the production of electricity from landfill gas.
 - b. Bellefontaine Gas Producers, L.L.C. (“Bellefontaine Gas”) is a Delaware company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Bellefontaine Gas is a 50% owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
 - c. Bellefontaine Leachate Services, L.L.C. (“Bellefontaine Leachate”) is a Delaware company with offices at 6910 Treeline Drive, Brecksville, Ohio 44141. Bellefontaine Leachate is a 50% owned subsidiary of DTE Biomass and is engaged in processing landfill leachate from landfill gas.

- d. Blue Water Renewables, Inc. ("Blue Water"), formerly known as DTE Arbor Gas Producers, Inc. is a Michigan company with offices located at 425 S. Main, Ann Arbor, Michigan 48104 is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- e. Davidson Gas Producers, LLC ("Davidson"), formerly Sampson Energy Producers, LLC, is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Davidson is a wholly owned subsidiary of DTE Biomass and is engaged in landfill projects.
- f. Denton Power, LLC (Denton) is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Denton is a wholly owned subsidiary of DTE Biomass and is engaged in landfill projects.
- g. DTE Methane Resources, L.L.C. ("DTE Methane") is a Michigan company with offices at 425 S. Main St., Ann Arbor, Michigan 48104. DTE Methane is a wholly owned subsidiary, 50% by DTE Biomass and 50% by DTE Coal Services, and is engaged in coal mine methane projects.
- h. Enerdyne LTD, LLC is a North Carolina company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Enerdyne LTD is 60% owned by DTE Biomass.
- i. Eagle Hill Renewable Energy, LLC ("Eagle Hill"), formerly Waverly Gas Producers, LLC is a Virginia company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Eagle Hill is 100% owned by Enerdyne LTD, LLC.
- i. Enerdyne TEN, LLC is a Virginia company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Enerdyne TEN, LLC is 75.5% owned by DTE Biomass.
- i. King George Gas Producers, LLC is a Virginia company with offices at 425 S. Main, Ann Arbor, Michigan 48104. King George is 100% owned by Enerdyne TEN, LLC.
- j. Fayetteville Gas Producers, L.L.C. ("Fayetteville"), formerly Fayetteville Gas Company, L.L.C. is a North Carolina company with offices located at 425 S. Main, Ann Arbor, Michigan 48104. Fayetteville is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- k. Iredell Transmission, LLC ("Iredell Trans") is a North Carolina company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Iredell is 100% owned by DTE Biomass and is engaged in landfill gas projects.
- l. Kiefer Landfill Generating II, LLC ("Kiefer") is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Kiefer is a 10% owned subsidiary of DTE Biomass and is engaged in landfill projects.
- m. Montgomery Gas Producers, L.L.C. ("Montgomery") is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Montgomery is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- n. Oklahoma Gas Producers, L.L.C. ("Oklahoma") is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Oklahoma is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- o. Orlando Gas Producers, Inc. ("Orlando") is a Michigan corporation with offices at 425 S. Main, Ann Arbor, Michigan 48104. Orlando is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.

- p. Phoenix Gas Producers, L.L.C. ("Phoenix") is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Phoenix is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- q. Pinnacle Gas Producers, L.L.C. ("Pinnacle") is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Pinnacle is a wholly owned subsidiary of DTE Biomass and is engaged in a landfill gas-to-energy project.
- r. Potrero Hills Energy Producers, LLC ("Potrero"), is a Delaware company with offices at 425 S. Main, Ann Arbor, Michigan, 48104. Potrero is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- s. Raleigh Steam Producers, LLC ("Raleigh"), formerly Enerdyne IV, LLC, is a North Carolina company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Raleigh is a 50% owned subsidiary of DTE Biomass and is engaged in production of steam from landfill gas.
- t. RES Power, Inc. ("RESP") is a Michigan corporation with offices at 425 S. Main, Ann Arbor, Michigan 48104. RESP is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
 - i. Riverview Energy Systems ("Riverview") is a Michigan partnership with offices at 29261 Wall Street, Wixom, Michigan 48393. Riverview is a 50% owned subsidiary of RESP and is engaged in the production of electricity from landfill gas.
- u. Riverview Gas Producers, Inc. ("Riverview") is a Michigan corporation with offices at 425 S. Main, Ann Arbor, Michigan 48104. Riverview is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- v. Salem Energy Systems, LLC ("Salem") is a North Carolina company with offices at 29261 Wall Street, Wixom, Michigan 48393. Salem is 50% owned by DTE Biomass and is engaged in the production of electricity from landfill gas.
- w. Salt Lake Energy Systems, L.L.C. ("Salt Lake") is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Salt Lake is a 50% owned subsidiary of DTE Biomass and is engaged in a landfill gas-to-energy project.
- x. Sunshine Gas Producers, LLC is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Sunshine Gas is a 50% owned subsidiary of DTE Biomass and is engaged in landfill projects.
- y. Wake Gas Producers, L.L.C. ("Wake") is a North Carolina company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Wake is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- z. Westside Gas Producers, L.L.C. ("Westside") is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Westside is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- aa. Wichita Gas Producers, L.L.C. ("Wichita"), formerly BES/LES Gas Producers I, L.L.C., is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Wichita is a 90% owned subsidiary of DTE Biomass and is engaged in acquiring rights to, developing, collecting and selling landfill gas and related constituent products.

2. DTE Coal Services, Inc. ("DTE Coal") is a Michigan corporation with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE Coal is a wholly owned subsidiary of DTE ER and is engaged in selling and transporting coal to third parties.
 - a. DTE Carbon, LLC ("Carbon"), is a Delaware entity with offices at 414 S. Main, Ann Arbor, Michigan, 48104. Carbon is a wholly owned subsidiary of DTE Coal and is engaged in the buying, selling or trading greenhouse gas related credits and other related instruments
 - b. DTE Chicago Fuels Terminal, LLC ("Chicago Fuels"), formerly DTE South Chicago Terminal LLC, is a Michigan company with offices at 414 S. Main, Ann Arbor, Michigan 48104. This company is a wholly owned subsidiary of DTE Coal and is engaged in coal cleaning and processing.
 - c. DTE Peptec, Inc. ("DTE Peptec") is a Michigan corporation with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE Peptec is involved in coal preparation and cleaning activities. DTE Peptec is a wholly owned subsidiary of DTE Coal.
 - i. DTE Dickerson, L.L.C. ("DTE Dickerson") is a Michigan company with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE Dickerson is involved in coal preparation and cleaning activities. DTE Dickerson is a wholly owned subsidiary of DTE Peptec.
 - ii. Peptec, Inc. ("Peptec") is a Pennsylvania corporation with offices at 414 S. Main, Ann Arbor, Michigan 48104. Peptec is a wholly owned subsidiary of DTE Peptec.
 - d. DTE Rail Holdings I, LLC ("Rail Holdings I"), formerly known as DTE Rail Services, Inc., and DTE CS Rail Services, Inc., is a Michigan corporation with offices at 414 S. Main, Ann Arbor, Michigan 48104. Rail Holdings I is a wholly owned subsidiary of DTE Coal and is an inactive company.
 - e. DTE Rail Holdings II, LLC, ("Rail Holdings II"), formerly known as Cornhusker Railways, LLC, is a Michigan company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Rail Holdings II is a wholly owned subsidiary of DTE Coal Services, Inc. and is an inactive company.
 - f. Omni Coal Group, LLC ("Omni"), is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan, 48104. Omni is owned 50% by DTE Coal and is engaged in the trade and marketing of coal.
3. DTE Energy Services, Inc. ("DTE ES"), formerly Edison Energy Services, Inc., is a Michigan corporation with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE ES is a wholly owned subsidiary of DTE ER and is engaged in energy services activities.
 - a. DTE Backup Generation Equipment Leasing, L.L.C. ("Backup Generation Equipment Leasing") is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan, 48104. Backup Generation Equipment Leasing is a wholly owned subsidiary of DTE ES, and is engaged in the equipment leasing business.
 - b. DTE Calvert City, LLC ("DTE Calvert"), formerly DTE Snowflake, LLC, is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Calvert is a wholly owned subsidiary of DTE ES and it is anticipated to be engaged in the operation of an onsite power facility in Kentucky.
 - c. DTE Coke Holdings, LLC, ("Coke Holdings") is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Coke Holdings is a wholly owned subsidiary of DTE ES and is a holding company.

- i. Burns Harbor Fuels Company, LLC (“Harbor Fuels”), is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Harbor Fuels is 51% owned by Coke Holdings and is engaged in owning and operating a coal-based steel industry fuel facility.
- ii. Shenango Incorporated, (“Shenango”) formerly known as Shenango Acquisition Corporation is a Pennsylvania corporation with offices at 414 S. Main, Ann Arbor, Michigan 48104. Shenango is a wholly owned subsidiary of Coke Holdings and operates a coke battery facility. Shenango owns 1% of Neville Coke, LLC.
 - a) Neville Coke, LLC (“Neville”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Neville is owned 1% by Shenango. Neville is engaged in coke supply.
- iii. Neville Island Fuels Company, LLC, (“Neville Island”), is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Neville Island is owned 49% by Coke Holdings. Neville Island is engaged in operating a facility for the production of steel industry fuel.
- iv. Zug Islands Fuels Company, LLC (“Zug Island”), is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Zug Island is 49% owned by Coke Holdings and is engaged in owning and operating a facility for the production of steel industry fuel.
- d. DTE Coke Operations, LLC (“DTE Coke”) is a Michigan company with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE Coke is a wholly owned subsidiary of DTE ES and is involved in synthetic fuel activities.
- e. DTE Dearborn, LLC (“Dearborn”), formerly DLM Energy, LLC, is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Dearborn is a wholly owned subsidiary of DTE ES and is engaged in the development and operation of a compressed air facility.
- f. DTE East China, LLC (“East China”), formerly Woodward Energy, L.L.C., is a Michigan company with offices at 414 S. Main Street, Ann Arbor, Michigan 48104. East China is a wholly owned subsidiary of DTE ES and is engaged in electricity generation.
- g. DTE East China Operations, LLC (“East China Operations”) is a Delaware company, with offices at 414 S. Main, Ann Arbor, Michigan 48104. East China Operations is a wholly owned subsidiary of DTE ES, and is engaged in the operation and maintenance of an electric generation facility.
- h. DTE Energy Center Operations, LLC (“DTE Energy Cent Oper”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE Energy Cent Oper is a wholly owned subsidiary of DTE ES and is involved in the operation of Energy Center.
- i. DTE ES Holdings No. 1, LLC (“ES Holdings”) is a Delaware company with offices at 414 S. Main Street, Ann Arbor Michigan 48104. ES Holdings is a wholly owned subsidiary of DTE ES and is a holding company.
- j. DTE ES Operations, LLC (“ES Oper”), formerly DTE La Paloma Operations, LLC, is a Delaware company with offices at 414 S. Main Street, Ann Arbor, Michigan 48104. ES Oper is a wholly owned subsidiary of DTE ES and is engaged in the operation and maintenance of electric generation facilities.
- k. DTE Hillman, LLC (“Hillman”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Hillman is a wholly owned subsidiary of DTE ES. Hillman is engaged in Biomass energy projects.

- i. Cactus DTE, S. de R.L. de C.V. (“Cactus”) is a company in Mexico with offices at 414 S. Main, Ann Arbor, Michigan 48104. Cactus is 99% owned by Hillman and 1% owned by DTE ES.
- l. DTE Mobile Operations, LLC (“DTE Mobile”), formerly DTE Carneys Point, LLC, is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE Mobile is a wholly owned subsidiary of DTE ES and is involved in the operation of Mobile Energy.
- m. DTE On-Site Energy, LLC (“On-Site”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan, 48104. DTE On-Site is a wholly owned subsidiary of DTE ES and is involved in on-site energy projects.
 - i. Energy & Industrial Utilities Company, LLC, (“EIUC”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. EIUC is a wholly owned subsidiary of On-Site and is a holding company.
 - a) DTE Burns Harbor Holdings, LLC (“Burns Harbor Holdings”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Burns Harbor Holdings is a wholly owned subsidiary of EIUC.
 - i. DTE Burns Harbor, L.L.C. (“DTE Burns Harbor”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE Burns Harbor is 51% owned by Burns Harbor Holdings and operates a coke battery facility.
 - b) DTE Defiance, LLC, formerly Defiance Energy, LLC, is an Ohio company with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE Defiance is a wholly owned subsidiary of EIUC and is engaged in the development and operation of a compressed air facility.
 - c) DTE Heritage, LLC (“DTE Heritage”) is a Michigan company with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE Heritage is a wholly owned subsidiary of EIUC and is engaged in the ownership and operation of an internal electric distribution system of electricity.
 - d) DTE Indiana Harbor Holdings, LLC (“DTE Indiana Harbor”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE Indiana Harbor is a wholly owned subsidiary of EIUC.
 - i. Indiana Harbor Coke Company L.P., (“Indiana Harbor Coke Company”) is a Delaware limited partnership with offices at 414 S. Main, Ann Arbor, Michigan 48104. Indiana Harbor Coke Company is 5% owned by Indiana Harbor Holdings, LLC.
 - e) DTE Lordstown, LLC (“Lordstown”), formerly Lordstown Energy, LLC, is an Ohio company with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE Lordstown is a wholly owned subsidiary of EIUC and is engaged in the development and operation of a compressed air facility.
 - f) DTE Moraine, LLC, (“Moraine”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Moraine is a wholly owned subsidiary of EIUC and is engaged in the development and operation of a compressed air facility.
 - g) DTE Northwind, LLC, (“Northwind”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Northwind is a wholly owned subsidiary of EIUC and operates a chilled water plant.

- h) DTE PCI Enterprises Company, LLC (“DTE PCI”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE PCI is a wholly owned subsidiary of EIUC and operates a pulverized coal facility.
 - i) DTE Pittsburgh, LLC (“Pittsburgh”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Pittsburgh is a wholly owned subsidiary of EIUC.
 - j) DTE Pontiac North, LLC (“Pontiac”), formerly DTE Wickliffe, LLC (“Wickliffe”), is a Michigan company with offices at 414 S. Main Street, Ann Arbor, Michigan 48104. Pontiac is a wholly owned subsidiary of EIUC.
 - k) DTE Sparrows Point, L.L.C. (“Sparrows Point”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Sparrows Point is a wholly owned subsidiary of EIUC and is engaged in the operation of a pulverized coal injection plant.
 - l) DTE Tonawanda, LLC (“Tonawanda”) is a Michigan company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Tonawanda is a wholly owned subsidiary of EIUC and is engaged in wastewater treatment and supply of chilled water.
 - m) EES Coke Battery, L.L.C. (“EES”) is a Michigan company with offices at 414 S. Main, Ann Arbor, Michigan 48104. EES is wholly owned by EIUC and is engaged in coke supply.
 - n) Metro Energy, LLC is a Michigan company with offices at 414 S. Main Street, Ann Arbor, Michigan 48104. Metro Energy, LLC is a wholly owned subsidiary of EIUC and provides energy related services.
- ii. Southeast Michigan Biosolids, LLC (“Southeast”), is a Delaware company with offices at 414 S. Main Street, Ann Arbor, Michigan 48104. Southeast is a wholly owned subsidiary of DTE ES, and is engaged in biosolids projects.
- n. DTE PetCoke, LLC (“Pet Coke”), formerly DTE Utility Services, LLC, is a Delaware company with offices at 414 S. Main Street, Ann Arbor, Michigan 48104. Pet Coke is wholly owned subsidiary of DTE ES, and is engaged in the supply of petroleum coke.
 - o. DTE Pulp & Paper Holdings, LLC, (“DTE Pulp”), formerly DTE Mobile, LLC is a Delaware company with offices at 414 S. Main Street, Ann Arbor, Michigan 48104. DTE Pulp is a wholly owned subsidiary of DTE ES and is a holding company.
 - i. MESC Capital, LLC (“MESC Cap”), formerly DTE Capital, LLC is a Delaware company with offices at 414 S. Main Street, Ann Arbor, Michigan 48104. MESC Cap is 50% owned by DTE Pulp and is involved in financing and investing activities.
 - a) Mobile Energy Services Company, LLC (“Mobile Energy”) is an Alabama company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Mobile Energy is a wholly owned subsidiary of MESC Cap and owns and operates the energy and recovery complex and related facilities located at the pulp and tissue mill in Mobile, Alabama.
 - ii. DTE Open-Loop Biomass, LLC is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. It is wholly owned by DTE Pulp and Paper Holdings and is engaged in the operation of a black liquor recovery boiler.

- p. DTE REF Holdings, LLC (“DTE REF”), is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. It is a wholly owned subsidiary of DTE ES and is the managing member of Belle River Fuels Holdings, LLC. It owns 1% of Belle River Fuels Holdings, LLC.
 - i. Belle River Fuels Holdings, LLC, (“Belle River Fuels”), is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Belle River Fuels is owned 1% by DTE REF and 99% by DTE ES. Belle River Fuels owns and operates a facility for the production of refined coal.
 - a) Belle River Fuels Company, LLC (“Belle River”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Belle River is a wholly owned subsidiary of DTE ES and owns and operates a facility for the production of refined coal.
 - ii. Belle River REF No. 2, LLC, (“Belle River REF 2”), is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan, 48104. . It is a wholly owned subsidiary of DTE ES. Belle River REF 2 owns and operates a facility for the production of refined coal.
 - iii. Canton Fuels Company, LLC, (“Canton”), is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan, 48104. Canton is a wholly owned subsidiary of DTE ES and operates a refined emissions fuel facility.
 - iv. Chouteau Fuels Company, LLC, (“Chouteau”), is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan, 48104. Chouteau is a wholly owned subsidiary of DTE ES and operates a refined emissions fuel facility.
 - v. Monroe Fuels Company, LLC, (“Monroe”), is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan, 48104. Monroe is a wholly owned subsidiary of DTE ES and operates a refined emissions fuel facility.
 - vi. Monroe REF No. 1, LLC, (“Monroe REF”), is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan, 48104. Monroe REF is a wholly owned subsidiary of DTE ES and operates a refined emissions fuel production line.
 - vii. St. Clair Fuels Company, LLC, (“St. Clair Fuels”), is a Delaware company with offices at 414 S. Main Street, Ann Arbor, Michigan 48104. St. Clair Fuels is owned 1% by DTE REF. St. Clair Fuels owns and operates a facility for the production of refined coal.
 - viii. St. Clair REF No. 1, LLC, (“St. Clair REF 1”), is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan, 48104. St. Clair REF 1 is a wholly owned subsidiary of DTE ES. St. Clair REF 1 owns and operates a facility for the production of refined coal.
 - ix. St. Clair REF No. 3, LLC, (“St. Clair REF 3”), is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. St. Clair REF 3 is a wholly owned subsidiary of DTE ES. St. Clair REF 3 owns and operates a facility for the production of refined coal.
- q. DTE Stoneman, LLC, (“Stoneman”) is a Wisconsin company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Stoneman is a wholly owned subsidiary of DTE ES and is engaged in biomass energy projects.
- r. DTE Utility Service Holdings, LLC (“Utility Serv”) is a Delaware company with offices at 414 S. Main Street, Ann Arbor, Michigan 48104. Utility Serv is a wholly owned subsidiary of DTE ES.
 - i. DTE Energy Center, LLC (“Energy Center”) is a Delaware company with offices at 414 S. Main Street, Ann Arbor, Michigan 48104. Energy Center is 50% owned by Utility Serv and is involved in providing utility and energy conservation services.

- s. DTE Woodland, LLC (“Woodland”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Woodland is a wholly owned subsidiary of DTE ES and is engaged in biomass energy projects.
 - i. DTE Mt. Poso, LLC, (“Mt. Poso”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Mt. Poso is a wholly owned subsidiary of Woodland and operates the Mt. Poso facility. Mt. Poso owns 66.6% of Mt. Poso Cogeneration Company, LLC
 - a) Mt. Poso Cogeneration Company, LLC, (“Mt. Poso Cogen”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Mt. Poso Cogen is owned 66.6 % by Mt. Poso. Mt. Poso Cogen owns and operates the facility and oil field.
 - ii. DTE Stockton, LLC, (“Stockton”), formerly known as EIUC Holdings, LLC, is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Stockton is a wholly owned subsidiary of Woodland and is engaged in biomass energy projects.
 - iii. Woodland Biomass Power Ltd. is a Delaware Limited Partnership company in which Woodland is the General Partner, with offices at 414 S. Main, Ann Arbor, Michigan 48104. This company is a wholly owned subsidiary of Woodland.
- 2. DTE Energy Trading, Inc. (“DTE Energy Trading”), formerly Huron Energy Services, Inc., is a Michigan corporation with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE Energy Trading is a wholly owned subsidiary of DTE ER. DTE Energy Trading is engaged in wholesale and retail energy marketing.
 - a. DTE Energy Supply, Inc. (“Energy Supply”), formerly known as DTE Edison America, Inc. is a Michigan Corporation with offices at 414 S. Main, Ann Arbor, Michigan 48104. Energy Supply is a wholly owned subsidiary of DTE Energy Trading and is engaged in providing retail energy services.
- 3. DTE Generation, Inc. (“DTE Generation”) is a Michigan corporation with offices at 414 S. Main, Ann Arbor, Michigan, 48104. DTE Generation is a wholly owned subsidiary of DTE ER and is a holding company.
 - a. DTE River Rouge, No. 1, LLC (“DTE River”) is a Michigan company with offices at 414 S. Main, Ann Arbor, Michigan, 48104. DTE River is a wholly owned subsidiary of DTE Generation and is involved in a project at River Rouge Power Plant.
- C. DTE Energy Trust I (“DTE I”) is a Delaware statutory trust with offices at One Energy Plaza, Detroit, Michigan 48226-1279. DTE I issued the 7.8% Trust Preferred Securities and trust common securities, purchased DTE Energy debt securities, fully and unconditionally guaranteed by DTE Energy Company.
- D. DTE Energy Trust II (“DTE II”) is a Delaware statutory trust with offices at One Energy Plaza, Detroit, Michigan 48226-1279. DTE II may offer from time to time trust preferred securities.
- E. DTE Energy Trust III (“DTE III”) is a Delaware statutory trust with offices at One Energy Plaza, Detroit, Michigan 48226-1279. DTE III may offer from time to time trust preferred securities.
- F. DTE Energy Ventures, Inc. (“DTE Ventures”), formerly Edison Development Corporation, is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. DTE Ventures is a wholly owned subsidiary of DTE and is engaged in business development.

1. DTE Solar Company of California ("Solar") is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. Solar is a wholly owned subsidiary of DTE Ventures. Solar is engaged in solar photovoltaic leasing.
- G. DTE Enterprises, Inc. ("DTEE") is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. Except where otherwise indicated, DTEE owns, directly or indirectly, all of the outstanding common stock of MichCon Holdings, Inc., Citizens Gas Fuel Company ("Citizens"), and MCN Energy Enterprises LLC ("MCNEE").
 1. Citizens Gas Fuel Company ("Citizens"), a Michigan corporation, is a public utility engaged in the distribution of natural gas in Michigan. Citizens' principal executive offices are located at 127 N. Main Street, Adrian, Michigan 49221. Citizens is a wholly owned subsidiary of DTE Enterprises, Inc.
 2. MichCon Holdings, Inc., a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279, is the holding company for Michigan Consolidated Gas Company ("MichCon"), a Michigan corporation, and MichCon Fuel Services Company.
 - a. MichCon Fuel Services Company is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It markets natural gas as a vehicular fuel and markets energy to residential and commercial customers through a transportation brokerage pilot program. MichCon Fuel Services Company became inactive in 2001. MichCon Fuel Services Company is a wholly owned subsidiary of MichCon Enterprises, Inc. It owns 33.3% of UtiliPro Services, LLC.
 - i. UtiliPro Services, LLC, ("UtiliPro"), is a Delaware company with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It is owned 33.3% by MichCon Fuel Services Company and is engaged in home service contracts.
 - b. Michigan Consolidated Gas Company, ("MichCon"), is a public utility engaged in the distribution and transmission of natural gas in the state of Michigan. MichCon's principal executive offices are located at One Energy Plaza, Detroit, Michigan 48226-1279. MichCon conducts substantially all of its business in the state of Michigan and is subject to the jurisdiction of the Michigan Public Service Commission ("MPSC") as to various phases of its operations, including gas sales rates, service, and accounting.
 - i. Blue Lake Holdings, Inc. ("Blue Lake"), is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. Blue Lake Holdings, Inc is a wholly owned subsidiary of MichCon. It holds a 25% interest in Blue Lake Gas Storage Company.
 - a) Blue Lake Gas Storage Company, ("Blue Lake Gas"), is a partnership that has converted a depleted natural gas field in northern Michigan into a 46 billion cubic feet (Bcf) natural gas storage field, which it now operates.
 - ii. MichCon Development Corporation, ("MichCon Development"), is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. MichCon Development is a wholly owned subsidiary of MichCon and is engaged in real estate development through partnerships.
 - iii. Saginaw Bay Pipeline Company is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It currently owns and operates a 68-mile pipeline that transports natural gas and natural gas liquids from reserves in east-central Michigan to natural gas processing plants in northern Michigan. It is wholly owned by MichCon.
 3. MCN Energy Enterprises, LLC. ("MCNEE"), formerly MCN Energy Enterprises, Inc. and MCN Investment Corporation, is the holding company for DTEE's various diversified energy subsidiaries.

MCNEE, through its subsidiaries and joint ventures, provides gathering, processing and transmission services; engages in energy marketing activities and storage services; engages in gas and oil exploration, development and production; and is involved in other energy-related businesses. Except where otherwise indicated, the companies set forth below are wholly owned subsidiaries of MCNEE.

- a. DTE Gas Resources, LLC ("DTE Gas Resources"), formerly DTE Gas Resources, Inc and DTE Exploration & Development, Inc. is a Michigan company with offices at One Energy Plaza, Detroit, Michigan 48226-1279. DTE Gas Resources is a wholly owned subsidiary of MCNEE. It is engaged in natural gas and oil exploration, development and production, through the following subsidiaries.
 - i. Coleman Gathering, LLC is a Texas company with offices at One Energy Plaza, Detroit, Michigan 48226. Coleman is a wholly owned subsidiary of DTE Gas Resources.
- b. DTE Gas Storage Company, formerly MCNIC Gas Storage Company is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It engages in the storage of natural gas and is wholly owned by MCNEE.
 - i. Shelby Storage, L.L.C. is a Michigan company with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It is used to procure storage, mineral and load rights for a storage field. Shelby Storage, L.L.C. is wholly owned by DTE Gas Storage Company
 - ii. South Romeo Gas Storage Company, L.L.C. ("South Romeo") is a Michigan company with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It is owned 50% by DTE Gas Storage Company. South Romeo holds a 33.3% interest in South Romeo Gas Storage Corporation.
 - a) South Romeo Gas Storage Corporation is a Michigan corporation which was formed to facilitate the development of the Washington 28 storage field. It is owned 33.3% by South Romeo Gas Storage Company, L.L.C. and 33.3% by DTE Gas Storage Company.
 - iii. Washington 10 Gas Holdings, Inc. is a Delaware corporation with offices at One Energy Plaza, Detroit, Michigan 48226. It is a wholly owned subsidiary of DTE Gas Storage Company.
 - a) Washington 10 Storage Corporation is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It is wholly owned by Washington 10 Gas Holdings, Inc.
 - iv. Washington 10 Storage Partnership is a Michigan partnership with offices at One Energy Plaza, Detroit, Michigan 48226-1279. The partnership is owned 50% by DTE Gas Storage Company and 50% by W-10 Holdings, Inc. The purpose of the partnership is to lease and operate the Washington 10 natural gas storage facility.
 - v. W-10 Holdings, Inc., is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It is wholly owned by DTE Gas Storage Company and holds a 50% interest in Washington 10 Storage Partnership, a partnership that developed and operates the Washington 10 natural gas storage facility in southeastern Michigan.
- c. DTE Pipeline Company, formerly, DTE Gas Storage, Pipelines and Processing Company, and MCNIC Pipeline & Processing Company, is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It owns interests in pipeline and processing projects directly and through the following subsidiaries and partnerships. It is wholly owned by MCNEE.

- i. Bluestone Pipeline Company of Pennsylvania, LLC, ("Bluestone Pipeline"), is a Pennsylvania company with offices at One Energy Plaza, Detroit, Michigan 48226. It is a wholly owned subsidiary of DTE Pipeline Company and it is anticipated to be engaged in natural gas gathering services. It owns 100% of Bluestone Gas Corporation of New York, Inc.
 - a) Bluestone Gas Corporation of New York, Inc. is a New York corporation with offices at One Energy Plaza, Detroit, Michigan 48226. It is a wholly owned subsidiary of Bluestone Pipeline and it is anticipated to be engaged in natural gas gathering services.
 - b) Susquehanna Gathering Company I, LLC, ("Susquehanna"), is a Pennsylvania company with offices at One Energy Plaza, Detroit, Michigan 48226. It is a wholly owned subsidiary of Bluestone Pipeline Company of Pennsylvania, LLC and it is anticipated to be engaged in natural gas gathering services.
- ii. Dawn Gateway Pipeline, LLC is a Delaware company with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It is owned 50% by DTE Pipeline Company and it is anticipated to be engaged in the operation of a natural gas pipeline.
- iii. DTE Dawn Gateway Canada Inc. is a Canadian corporation with offices at 44 Chipman Hill, Suite 1000, Saint John, New Brunswick, E2L 2A9. DTE Dawn Gateway Canada Inc. is a wholly owned subsidiary of DTE Pipeline Company. DTE Dawn Gateway Canada Inc. owns 50% of Dawn Gateway Pipeline General Partner, Inc.
 - a) Dawn Gateway Pipeline General Partner Inc. is a Canadian corporation with offices at 50 Kell Drive North, Chatham, Ontario, N7M 5M1. Dawn Gateway Pipeline General Partner Inc. is owned 50% by DTE Dawn Gateway Canada Inc. Dawn Gateway Pipeline General Partner Inc. owns .01% of Dawn Gateway Pipeline Limited Partnership.
- v. DTE Millennium Company, formerly MCNIC Millennium Company, is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It is wholly owned by DTE Pipeline Company. It owns a 26.25% interest in Millennium Pipeline Company, L.L.C.
 - a) Millennium Pipeline Company, L.L.C. is a Delaware company with offices at One Blue Hill Plaza, 7th Floor, P.O. Box 1565, Pearl River, New York 10965. It owns and operates the Millennium Pipeline system. DTE Millennium Company owns 26.25% of Millennium Pipeline Company, L.L.C.
- vi. DTE Vector Canada, Inc. formerly MCNIC Vector Canada, Inc. is a New Brunswick corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It is wholly owned by DTE Pipeline Company. It holds a 39.6% limited partnership interest in Vector Pipeline Limited Partnership, an Alberta, Canada limited partnership which owns the Canadian portion of the Vector Pipeline. It also holds a 49.995% partnership interest in Dawn Gateway Pipeline Limited Partnership.
 - a) Vector Pipeline Limited Partnership is an Alberta Canada limited partnership with offices at 38750 Seven Mile Road, Suite 490, Livonia, Michigan 48152. DTE Vector Canada, Inc. owns 39.6% of Vector Pipeline Limited Partnership.
 - b) Dawn Gateway Pipeline Limited Partnership is a Canadian corporation with offices at 50 Kell Drive North, Chatham, Ontario, N7M 5M1. Dawn Gateway Pipeline Limited Partnership is owned 49.995% by DTE Vector Canada, Inc. and .01% by Dawn Gateway Pipeline General Partner Inc.

- vi. DTE Vector Canada II, Inc., formerly MCNIC Vector Canada II, Inc. is a New Brunswick corporation. It is wholly owned by DTE Pipeline Company. It holds a 40% interest in Vector Pipeline Limited, which owns a 1% general partnership interest in Vector Pipeline Limited Partnership, an Alberta, Canada limited partnership which owns the Canadian portion of the Vector Pipeline.
 - a) Vector Pipeline Limited is an Alberta Canada Corporation, with offices at 38705 Seven Mile Road, Suite 490, Livonia, Michigan 48152. It owns a 1% general partnership interest in Vector Pipeline Limited Partnership, an Alberta Canada limited partnership which owns the Canadian portion of the Vector Pipeline.
- vii. DTE Vector Company, formerly MCNIC Vector Company, is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It is wholly owned by DTE Pipeline Company. It was formed to hold a 39.6% limited partnership interest in Vector Pipeline L.P., a Delaware Limited Partnership which owns and operates the Vector Pipeline.
 - a) Vector Pipeline L.P. is a Delaware limited partnership with offices at 38750 Seven Mile Road, Suite 490, Livonia, Michigan 48152. It owns and operates the Vector Pipeline.
- viii. DTE Vector II Company, formerly MCNIC Vector II Company is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It is wholly owned by DTE Pipeline Company. It holds a 40% interest in Vector Pipeline LLC, which owns a 1% general partnership interest in Vector Pipeline L.P., a Delaware limited partnership which owns and operates the Vector Pipeline.
 - a) Vector Pipeline LLC, is a Delaware company with offices at 38750 Seven Mile Road, Suite 490, Livonia, Michigan 48152. It owns a 1% general partnership interest in Vector Pipeline L.P., a Delaware limited partnership which owns and operates the Vector Pipeline.
- ix. MichCon Pipeline Company is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. MichCon Pipeline Company is wholly owned by DTE Pipeline Company. Through the subsidiaries below, it is engaged in pipeline and gathering projects in Michigan.
 - a) CVB Pipeline, LLC is a Michigan company with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It owns and operates a gas pipeline. It is owned 99% by MichCon Pipeline Company.
 - b) MichCon Gathering Company is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It owns and operates the Antrim Expansion Pipeline. It is wholly owned by MichCon Pipeline Company.
 - c) MichCon Lateral Company is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It owns and operates a 210 mile pipeline and 325 miles of gathering lines in northern Michigan. It is wholly owned by MichCon Pipeline Company and owns 50% of Hayes Otsego Pipeline, LLC.
 - i. Hayes Otsego Pipeline, LLC, ("Hayes Otsego"), is a Michigan company with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It is engaged in pipeline and gathering projects.
- d. DTE Oil & Gas Group, Inc. is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It is wholly owned by MCNEE. It is engaged in natural gas and oil exploration, development and production through the following subsidiaries:

- i. MCNIC Enhanced Production, Inc. is a wholly owned subsidiary of DTE Oil & Gas Group, Inc., which has a 75% interest in Otsego EOR, L.L.C. It is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279.
 - a) Otsego EOR, LLC is a Michigan company with offices at One Energy Plaza, Detroit, Michigan 48226-1279 and is owned 75% by MCNIC Enhanced Production, Inc.
 - ii. MCNIC Oil & Gas Midcontinent, Inc., a wholly owned subsidiary of DTE Oil & Gas Group, Inc. It is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279.
 - iii. MCNIC Oil & Gas Properties, Inc., a wholly owned subsidiary of DTE Oil & Gas Group, Inc., is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279.
 - iv. Otsego Exploration Company, L.L.C., a wholly owned subsidiary of DTE Oil & Gas Group, Inc., is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279.
 - e. MCN International Corporation is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It was formed as a holding company for DTEE's international subsidiaries and is wholly owned by MCNEE.
 - i. MCNIC International Holdings of Grand Cayman, Cayman Islands is wholly owned by MCN International Corporation and is an inactive company
 - ii. MCNIC UAE Limited of Grand Cayman, Cayman Island is wholly owned by MCN International Corporation and was formed to hold a 39% interest in a United Arab Emirate fertilizer plant project. Subsequently, MCNIC UAE Limited converted its equity interest into a loan. The loan was sold in 2004, leaving MCNIC UAE with no remaining assets.
- H. Syndeco Realty Corporation ("Syndeco") is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. Syndeco is a wholly owned subsidiary of DTE. Syndeco is engaged in real estate projects.
 - 1. Syndeco Meadowbrook, LLC ("Meadowbrook") is a Michigan company with offices at One Energy Plaza, Detroit, Michigan 48226-1279. Meadowbrook is a wholly owned subsidiary of Syndeco and owns property in Novi for future development.
 - 2. Syndeco Plaza L.L.C. ("Syndeco Plaza") is a Michigan company with offices at One Energy Plaza, Detroit, Michigan 48226-1279. Syndeco Plaza is a wholly owned subsidiary of Syndeco and is engaged real estate projects.
 - 3. Syndeco Plaza Unit Acquisition LLC ("Plaza Unit") is a Michigan company with offices at One Energy Plaza, Detroit, Michigan 48226-1279. Syndeco holds 100% of this entity.
- I. The Detroit Edison Company ("Detroit Edison") is incorporated in Michigan and is a Michigan public utility. It is engaged in the generation, purchase, distribution and sale of electric energy in Southeastern Michigan. It also owned and operated a steam heating system in Detroit, Michigan, which was sold in January, 2003. On January 1, 1996, Detroit Edison became a wholly owned subsidiary of the Company. Detroit Edison's address is One Energy Plaza, Detroit, Michigan 48226-1279.
 - 1. Detroit Edison Trust I ("DET I") is a Delaware statutory trust with offices at One Energy Plaza, Detroit, Michigan 48226-1279. DET I may offer from time to time trust preferred securities.

2. Detroit Edison Trust II ("DET II") is a Delaware statutory trust with offices at One Energy Plaza, Detroit, Michigan 48226-1279. DET II may offer from time to time trust preferred securities.
 3. Detroit Edison Trust III ("DET III") is a Delaware statutory trust with offices at One Energy Plaza, Detroit, Michigan 48226-1279. DET III may offer from time to time trust preferred securities.
 4. Midwest Energy Resources Company ("MERC") is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. MERC is a wholly owned subsidiary of Detroit Edison and is engaged in operating a coal-transshipment facility in Superior, Wisconsin. It owns 50% of Venture Fuels.
 - a. Venture Fuels is a Colorado partnership formed for the purpose of marketing coal in the Great Lakes Region and is 50% owned by MERC.
 5. St. Clair Energy Corporation ("St. Clair") is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. St. Clair is a wholly owned subsidiary of Detroit Edison and is engaged in fuel procurement.
 6. The Detroit Edison Securitization Funding, L.L.C. ("Securitization Funding") is a Michigan company with offices at One Energy Plaza, Detroit, Michigan 48226-1279. Securitization Funding is a wholly owned subsidiary of Detroit Edison and is a special purpose entity established to recover certain stranded costs, called Securitization Property by Michigan Statute.
 7. The Edison Illuminating Company of Detroit ("EIC") is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. EIC is a wholly owned subsidiary of Detroit Edison and holds real estate.
- J. Wolverine Energy Services, Inc. ("Wolverine") is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. Wolverine is a wholly owned subsidiary of the Company and is a holding company.
1. DTE Energy Solutions, Inc. ("Solutions") is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. Solutions is a wholly owned subsidiary of Wolverine and is engaged in system based energy related products and services.
 - a. DTE Engineering Services, Inc., ("DTE Engineering Services"), formerly UTS Systems, Inc., is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. DTE Engineering Services is a wholly owned subsidiary of Solutions. DTE Engineering Services is engaged in professional engineering services.
 2. DTE Energy Technologies, Inc. ("Technologies") is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. Technologies is a wholly owned subsidiary of Wolverine and is engaged in energy solutions for industrial, commercial and small businesses.
 - a. Alliance Energy Companies, Ltd. ("Alliance") is a Minnesota corporation with offices at 1715 Lake Drive West, Chanhassen, Minnesota 55317-8580. Alliance is a wholly owned subsidiary of Technologies and is the holding company for the following entity.

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MICHIGAN CONSOLIDATED GAS COMPANY	AN ORIGINAL	December 31, 2011	
CORPORATIONS CONTROLLED BY RESPONDENT			
<p>1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If Control ceased prior to end of year, give particulars (details) in a footnote.</p> <p>2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.</p> <p>3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.</p> <p>4. If the above required information is available from the SEC 10-K Report Form filing, a specific reference to the report form (i.e. year and company title) may be listed in column (a) provided the fiscal years for both the 10-K and this report are compatible.</p>			
DEFINITIONS			
<p>1. See the Uniform System of Accounts for a definition of control.</p> <p>2. Direct control is that which is exercised without interposition of an intermediary.</p> <p>3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.</p> <p>4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.</p>			
Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
Blue Lake Holdings, Inc.	A 25% general partner in Blue Lake Gas Storage Company	100%	
MichCon Development Corporation	Real estate development.	100%	
Saginaw Bay Pipeline Company	Owns and operates a 68 mile pipeline that transports natural gas and natural gas liquids from reserves to natural gas processing plants.	100%	

MICHIGAN CONSOLIDATED GAS COMPANY		An Original		December 31, 2011	
OFFICERS					
1. Report below the name, title and salary for the top five executive officers.					
2. Report in column (b) salaries and wages accrued during the year including deferred compensation					
3. In column (c) report any other compensation provided, such as bonuses, car allowance, stock options and rights, savings contribution, etc. and explain in a footnote what the amounts represent.					
4. If a change was made during the year in the incumbent of any position, show the name and total remuneration of the previous incumbent and the date the change in incumbency occurred.					
5. Upon request, the Company will provide the Commission with supplemental information on officers' and other employees' salaries.					
Line No.	Name and Title (a)	Base Wages (b)	Other Compensation (c) ⁽¹⁾	Total Compensation (d) ⁽²⁾	
1	Gerard M. Anderson President and Chief Executive Officer, DTE Energy	\$ 1,099,615	\$ 5,017,090	\$ 6,116,705	
2	David E. Meador Executive Vice President and Chief Financial Officer, DTE Energy	\$ 590,577	\$ 1,780,498	\$ 2,371,075	
3	Steven E. Kurmas Group President, DTE Energy	\$ 518,269	\$ 1,620,726	\$ 2,138,995	
4	Gerado Norcia Group President, DTE Energy	\$ 443,269	\$ 1,215,775	\$ 1,659,044	
5	Bruce D. Peterson Senior Vice President and General Counsel, DTE Energy	\$ 483,962	\$ 1,116,028	\$ 1,599,990	
6	Anthony F. Earley, Jr. Retired Executive Chairman, DTE Energy	\$ 808,769	\$ 2,653,210	\$ 3,461,979	
7	⁽¹⁾ Includes bonuses and matching contributions to savings plans.				
8	⁽²⁾ Includes compensation for services provided to DTE Energy Company and subsidiary companies, including Michigan Consolidated Gas Company.				
9					
10					
11					
12					
13					

DIRECTORS

1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a) abbreviated titles of the directors who are officers of the respondent.
2. Designate members of the Executive Committee by an asterisk and the Chairman of the Executive Committee by a double asterisk.

Name (and Title) of Director (a)	Principal Business Address (b)	Number of Directors' Meetings During Year (c)(1)	Fees During Year (d)
Gerard M. Anderson Director Chairman and Chief Executive Officer	One Energy Plaza Detroit, MI 48226-1279	0	0
Lisa A. Muschong Director Corporate Secretary	One Energy Plaza Detroit, MI 48226-1279	0	0
David E. Meador Director Executive Vice President and Chief Financial Officer	One Energy Plaza Detroit, MI 48226-1279	0	0
Bruce D. Peterson Director	One Energy Plaza Detroit, MI 48226-1279	0	0

(1) MichCon Board of Directors held no scheduled meetings during 2011. As permitted by law, the Board acted on numerous matters by written consent.

MICHIGAN CONSOLIDATED GAS COMPANY	AN ORIGINAL	DECEMBER 31, 2011
SECURITY HOLDERS AND VOTING POWERS		
<p>1. (A) Give the names and addresses of the 10 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent, prior to the end of the year, had the highest voting powers in the respondent, and state the number of votes which each would have had the right to cast on that date if a meeting were then in order. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.), duration of trust, and principal holders of beneficiary interests in the trust. If the stock book was not closed or a list of stockholders was not compiled within one year prior to the end of the year, or if since the previous compilation of a list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders. (B) Give also the name and indicate the voting powers resulting from ownership of securities of the respondent of each officer and director not included in the list of 10 largest security holders.</p> <p>2. If any security other than stock carries voting rights, explain in a supplemental statement the circumstances whereby such security became vested with voting rights and give other important particulars (details) concerning the voting rights of such security. State whether voting rights are actual or contingent; if contingent, describe the contingency.</p> <p>3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method, explain briefly in a footnote.</p> <p>4. Furnish particulars (details) concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets so entitled to be purchased by any officer, director, associated company, or any of the ten largest security holders. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants, or rights were issued on a pro rata basis.</p>		
<p>1. Give date of the latest closing of the stock book prior to end of year, and state the purpose of such closing:</p> <p style="margin-left: 40px;">Not Applicable</p>		
<p>2. State the total number of votes cast at the latest general meeting prior to the end of year for election of directors of the respondent and number of such vote cast by proxy</p> <p style="margin-left: 40px;">Not Applicable</p>		
<p>3. Give the date and place of such meeting:</p> <p style="margin-left: 40px;">MichCon Board of Directors held no scheduled meetings during 2011. As permitted by law, the Board acted on numerous matters by written consent.</p>		

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL			DECEMBER 31, 2011		
SECURITY HOLDERS AND VOTING POWERS (Continued)					
Line No.		VOTING SECURITIES			
		Number of votes as of (date): December 31, 1998			
		Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
4	TOTAL votes of all voting securities	10,300,000	10,300,000	-	
5	TOTAL number of security holders	1	1	-	
6	TOTAL votes of security holders listed below	10,300,000	10,300,000	-	
7					
8	MichCon Holdings, Inc.				
9	One Energy Plaza				
10	Detroit, MI 48226-1279	10,300,000	10,300,000	-	
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MICHIGAN CONSOLIDATED GAS COMPANY	AN ORIGINAL	December 31, 2011
IMPORTANT CHANGES DURING THE YEAR		
<p>Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none" or "not applicable" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.</p> <p>1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.</p> <p>2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.</p> <p>3. Purchase or sale of an operation unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.</p> <p>4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other conditions. State name of Commission authorizing lease and give reference to such authorization.</p> <p>5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.</p> <p>6. Obligation incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, including ordinary commercial paper maturing on demand or not later than one year after date of issue: State on behalf of whom the obligation was assumed and amount of the obligation. Give reference to Commission authorization if any was required.</p> <p>7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.</p> <p>8. State the estimated annual effect and nature of any important wage scale changes during the year.</p> <p>9. State briefly the status of any materially important legal proceeding pending at the end of the year, and the results of any such proceedings culminated during the year.</p> <p>10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.</p> <p>11. Estimated increase or decrease in annual revenues due to important rate changes: State effective date and approximate amount of increase or decrease for each revenue classification. State the number of customers affected.</p> <p>12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by instructions 1 to 11 above, such notes may be attached to this page.</p>		
<p>1. None.</p> <p>2. None.</p> <p>3. None.</p>		

IMPORTANT CHANGES DURING THE YEAR

4. None.

5. None

6. None.

7. None.

8. None.

9. None.

10. None.

11. None.

12. Important Changes

See Notes to Financial Statements starting on page 123.1.

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31,2011
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)				
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114, 118)	200-201	\$3,554,781,624	3,708,149,234
3	Construction Work in Progress (107)	200-201	86,570,635	67,514,330
4	TOTAL Utility Plant (Enter Total of lines 2 & 3)		3,641,352,259	3,775,663,564
5	(Less) Accum. Prov. for Depr. Amort., Depl. (108,111,115,119)	200-201	1,845,266,361	1,884,486,019
6	Net Utility Plant (Enter Total of line 4 less 5)		1,796,085,898	1,891,177,545
7	Nuclear Fuel (120.1 - 120.4, 120.6)	---	---	---
8	(Less) Accum. Prov. for Amort. of Nuclear Fuel Assemblies (120.5)	---	---	---
9	Net Nuclear Fuel (Enter Total of line 7 less 8)		---	---
10	Net Utility Plant (Enter Total of lines 6 and 9)		1,796,085,898	1,891,177,545
11	Utility Plant Adjustments (116)	122-123	---	---
12	Gas Stored Underground-Noncurrent (117)	220	32,418,445	32,418,445
13	OTHER PROPERTY AND INVESTMENTS			
14	Nonutility Property (121)	221	2,541,585	2,541,585
15	(Less) Accum. Prov. for Depr.and Amort.(122)	221	670,317	731,668
16	Investments in Associated Companies (123)	222-223	---	---
17	Investment in Subsidiary Companies (123.1)	224-225	24,701,738	14,449,754
18	(For Cost of Account 123.1, See Footnote Page 224,line 42)			
19	Noncurrent Portion of Allowances	---		
20	Other Investments (124)	222-223,229	1,794,178	1,806,177
21	Special Funds (125-128)	---	13,015,393	13,290,141
22	TOTAL Other Property and Investments (Enter Total of lines 14 thru 21)		41,382,577	31,355,989
23	CURRENT AND ACCRUED ASSETS			
24	Cash (131)	---	224,660	2,732,921
25	Special Deposits (132-134)	---	---	---
26	Working Funds (135)	---	---	---
27	Temporary Cash Investments (136)	222-223	---	---
28	Notes Receivable (141)	228A	896,778	1,476,906
29	Customer Accounts Receivable (142)	228A	263,249,253	231,709,893
30	Other Accounts Receivable (143)	228A	55,172,365	45,575,248
31	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)	228A	89,482,853	67,622,813
32	Notes Receivable from Associated Companies (145)	228B	1,001,808	5,391,532
33	Accounts Receivable from Assoc. Companies (146)	228B	1,701,191	4,340,381
34	Fuel Stock (151)	228C	---	---
35	Fuel Stock Expense Undistributed (152)	228C	---	---
36	Residuals (Elec) and Extracted Products (Gas) (153)	228C	---	---
37	Plant Material and Operating Supplies (154)	228C	13,104,425	14,103,758
38	Merchandise (155)	228C	---	---
39	Other Material and Supplies (156)	228C	---	---
40	Nuclear Materials Held for Sale (157)	228C	---	---

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2011
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)					
Line No.	Title of Account (a)	Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)	
41	Allowances (158.1 and 158.2)	---	---	---	
42	(Less) Noncurrent Portion of Allowances	---	---	---	
43	Stores Expenses Undistributed (163)	228C	3,417,757	1,916,612	
44	Gas Stored Underground - Current (164.1)	220	43,096,373	52,163,357	
45	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)	220	---	---	
46	Prepayments (165)	226,230	11,137,098	11,602,064	
47	Advances for Gas (166-167)	229	---	---	
48	Interest and Dividends Receivable (171)	---	---	---	
49	Rents Receivable (172)	---	2,078,041	2,289,798	
50	Accrued Utility Revenues (173)	---	155,259,794	110,079,994	
51	Miscellaneous Current and Accrued Assets (174)	---	147,524,090	137,784,338	
52	TOTAL Current and Accrued Assets (Enter Total of lines 24 thru 51)		608,380,780	553,543,989	
53	DEFERRED DEBITS				
54	Unamortized Debt Expense (181)	---	4,940,443	4,339,639	
55	Extraordinary Property Losses (182.1)	230	---	---	
56	Unrecovered Plant & Regulatory Study Costs (182.2)	230	---	---	
57	Other Regulatory Assets	232	---	---	
58	Prelim. Survey & Invest. Charges (Electric)(183)	---	---	---	
59	Prelim. Survey & Invest. Charges (Gas) (183.1, 183.2)	231	---	---	
60	Clearing Accounts (184)	---	---	---	
61	Temporary Facilities (185)	---	---	---	
62	Miscellaneous Deferred Debits (186)	233	1,001,876,667	1,075,962,818	
63	Def. Losses from Disposition of Utility Plt. (187)	---			
64	Research, Devel. and Demonstration Expend. (188)	352-353	---	---	
65	Unamortized Loss on Reacquired Debt (189)	---	29,804,856	28,152,327	
66	Accumulated Deferred Income Taxes (190)	234-235	354,580,034	365,646,607	
67	Unrecovered Purchased Gas Costs (191)	---	---	---	
68	TOTAL Deferred Debits (Enter Total of lines 54 thru 67)		1,391,202,000	1,474,101,391	
69	TOTAL Assets and Other Debits (Enter Total of lines 10, 11, 12, 22 ,52, and 68)		\$3,869,469,700	\$3,982,597,359	

COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	\$10,300,000	10,300,000.00
3	Preferred Stock Issued (204)	250-251	---	---
4	Capital Stock Subscribed (202,205)	252	---	---
5	Stock Liability for Conversion (203,206)	252	---	---
6	Premium on Capital Stock (207)	252	---	---
7	Other Paid-In Capital (208-211)	253	524,105,666	524,105,666
8	Installments Received on Capital Stock (212)	252	---	---
9	(Less) Discount on Capital Stock (213)	254	---	---
10	(Less) Capital Stock Expense (214)	254	---	---
11	Retained Earnings (215,215.1,216)	118-119	475,491,979	491,546,700
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	3,470,250	4,516,932
13	(Less) Reacquired Capital Stock (217)	250-251	---	---
14	Accumulated Other Comprehensive Income (219)	122(a)(b)	(2,370,208)	(2,357,559)
15	TOTAL Proprietary Capital (Enter Total of lines 2 thru 14)		1,010,997,687	1,028,111,739
16	LONG-TERM DEBT			
17	Bonds (221)	256-257	890,000,000	890,000,000
18	(Less) Reacquired Bonds (222)	256-257	---	---
19	Advances from Associated Companies (223)	256-257	---	---
20	Other Long-Term Debt (224)	256-257	---	---
21	Unamortized Premium on Long-Term Debt (225)	258-259	---	---
22	(Less) Unamortized Discount on Long-Term Debt-Debit (226)	258-259	936,154	844,813
23	TOTAL Long-Term Debt (Enter Total of lines 17 thru 22)		889,063,846	889,155,187
24	OTHER NONCURRENT LIABILITIES			
25	Obligations Under Capital Leases - Noncurrent (227)	---	---	---
26	Accumulated Provision for Property Insurance (228.1)	---	---	---
27	Accumulated Provision for Injuries and Damages (228.2)	---	13,325,763	16,051,477
28	Accumulated Provision for Pensions and Benefits (228.3)	---	232,875,790	368,875,187
29	Accumulated Miscellaneous Operating Provisions (228.4)	---	307,163	516,830
29	Accumulated Provisions for Rate Refunds (229)			19,237,760
30	Asset Retirement Obligations (230)	---	113,393,193	116,513,504
31	TOTAL Other Noncurrent Liabilities (Enter Total of lines 25 thru 30)		359,901,909	521,194,758
32	CURRENT AND ACCRUED LIABILITIES			
33	Notes Payable (231)	260A	149,990,575	184,978,426
34	Accounts Payable (232)	---	157,420,111	137,585,217
35	Notes Payables to Associated Companies (233)	260B	144,089,703	8,412,286
36	Accounts Payable to Associated Companies (234)	260B	24,330,876	32,316,903
37	Customer Deposits (235)	---	16,509,936	14,995,516
38	Taxes Accrued (236)	262-263	(3,711,380)	1,718,990
39	Interest Accrued (237)	---	13,971,786	13,702,761
40	Dividends Declared (238)	---	---	---
41	Matured Long-Term Debt (239)	---	---	---

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011	
COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (Continued)					
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)	
41	Matured Interest (240)	---	---	---	
42	Tax Collections Payable (241)	---	1,857,711	895,902	
43	Misc. Current and Accrued Liabilities (242)	268	78,874,474	75,125,318	
44	Obligations Under Capital Leases-Current (243)	---	---	---	
45	Derivative Instrument Liabilities (244)	---	---	---	
46	(Less) LT Portion of Derivative Instrument Liabilities	---	---	---	
47	Derivative Instrument Liabilities - Hedges (245)	---	---	---	
48	(Less) LT Portion of Derivative Instrument Liabilities - Hedges	---	---	---	
49	Federal Income Taxes Accrued for Prior Years (246)	---	---	---	
50	State and Local Taxes Accrued for Prior Years (246.1)	---	---	---	
51	Federal Income Taxes Accrued for Prior Years - Adjustments (247)	---	---	---	
52	State and Local Taxes Accrued for Prior Years - Adjustments (247.1)	---	---	---	
53	TOTAL Current and Accrued Liabilities (Enter total of lines 32 thru 53)	---	583,333,792	469,731,319	
54	DEFERRED CREDITS				
55	Customer Advances for Construction (252)	268	---	---	
56	Accumulated Deferred Investment Tax Credits (255)	266-267	8,642,444	7,747,040	
57	Deferred Gains from Disposition of Utility Plt. (256)	---	---	---	
58	Other Deferred Credits (253)	269	155,029,692	144,842,104	
59	Other Regulatory Liabilities (286)	278	90,661,285	37,106,292	
60	Unamortized Gain on Reacquired Debt (257)	260	---	---	
61	Accumulated Deferred Income Taxes (281-284)	272-277	771,839,046	884,708,920	
62	TOTAL Deferred Credits (Enter Total of lines 51 thru 57)		1,026,172,467	1,074,404,356	
63	TOTAL Liabilities and Other Credits (Enter total of lines 14, 22, 30, 53 and 62)		\$3,869,469,700	\$3,982,597,359	

STATEMENT OF INCOME FOR THE YEAR

1. Report amounts for accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another utility column (i,k,m,o) in a similar manner to a utility department. Spread the amount(s) over lines 01 thru 20 as appropriate. Include these amounts in columns (c) and (d) totals.
2. Report amounts in account 414, Other Utility Operating Income, in the same manner as account 412 and 413 above.
3. Report data for lines 7, 9, and 10 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1 and 407.2.
4. Use page 122 for important notes regarding the statement of income or any account thereof.
5. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in a material refund to the utility with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power and gas purchases.
6. Give concise explanations concerning significant amounts of any refunds made or received during the year resulting

Line No.	Account (a)	(Ref.) Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	1,482,137,823	\$1,615,936,361
3	Operating Expenses			
4	Operation Expenses (401)	320-325	1,087,191,278	1,226,191,394
5	Maintenance Expenses (402)	320-325	30,684,735	32,287,662
6	Depreciation Expense (403)	336-338	72,257,754	78,192,720
7	Amort. & Depl. of Utility Plant (404-405)	336-338	7,297,394	7,235,721
8	Amort. of Utility Plant Acq. Adj. (406)	336-338	-	-
9	Amort. of Property Losses, Unrecovered Plant and Regulatory Study Costs (407)	-	-	-
10	Amort. of Conversion Expenses (407)	-	-	-
11	Regulatory Debits (407.3)	-	2,828,988	2,828,988
12	(Less) Regulatory Credits (407.4)	-	-	-
13	Taxes Other Than Income Taxes (408.1)	262-263E	53,228,878	53,088,278
14	Income Taxes - Federal (409.1)	262-263E	681,048	35,405,768
15	- Other (409.1)	262-263E	5,902,572	3,154,924
16	Provision for Deferred Inc. Taxes (410.1)	234,272-277	116,171,987	176,166,843
17	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234,272-277	63,869,139	160,124,563
18	Investment Tax Credit Adj. - Net (411.4)	266	(895,404)	(992,103)
19	(Less) Gains from Disp. of Utility Plant (411.6)		-	-
20	Losses from Disp. of Utility Plant (411.7)		-	-
21	(Less) Gains/Losses from Disposition of Allowances (411.8-411.9)		-	-
22	Accretion Expense (411.10)		6,513,914	3,018,098
23	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 22)		1,317,994,005	1,456,453,730
24	Net Utility Operating Income (Enter Total of line 2 less 23) (Carry forward to page 117, line 25)		\$164,143,818	\$159,482,631

STATEMENT OF INCOME FOR THE YEAR (Continued)

from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases and a summary of the adjustments made to balance sheet, income, and expense accounts.

7. If any notes appearing in the report to stockholders are applicable to this Statement of Income, such notes may be attached at page 122.
8. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.
9. Explain in a footnote if the previous year's figures are different from that reported in prior reports.
10. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 1 to 19, and report the information in the blank space on page 122 or in a supplemental statement.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year (e)	Previous Year (f)	Current Year (g)	Previous Year (h)	Current Year (i)	Previous Year (j)	
						1
		\$1,482,137,823	\$1,615,936,361			2
						3
		1,087,191,278	1,226,191,394			4
		30,684,735	32,287,662			5
		72,257,754	78,192,720			6
		7,297,394	7,235,721			7
		-	-			8
		-	-			9
		-	-			10
		2,828,988	2,828,988			11
		-	-			12
		53,228,878	53,088,278			13
		681,048	35,405,768			14
		5,902,572	3,154,924			15
		116,171,987	176,166,843			16
		63,869,139	160,124,563			17
		(895,404)	(992,103)			18
		-	-			19
		-	-			20
		-	-			21
		6,513,914	3,018,098			22
		1,317,994,005	1,456,453,730			23
		\$164,143,818	\$159,482,631			24

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2011	
STATEMENT OF INCOME FOR THE YEAR (Continued)				
Line No.	Account (a)	(Ref.) Page No. (b)	TOTAL Current Year (c)	TOTAL Previous Year (d)
25	Net Utility Operating Income (Carried forward from page 114)	-	\$164,143,818	\$159,482,631
26	Other Income and Deductions			
27	Other Income			
28	Nonutility Operating Income			
29	Revenues From Merchandising, Jobbing and Contract Work (415)		2,424,220	2,497,952
30	(Less)Costs and Exp. of Merchandising, Jobbing & Contract Work (416)		2,623,593	2,241,564
31	Revenues From Nonutility Operations (417)		108,346	39,173
32	(Less) Expenses of Nonutility Operations (417.1)		1,215	384
33	Nonoperating Rental Income (418)		-	-
34	Equity in Earnings of Subsidiary Companies (418.1)	119	1,762,069	7,800,471
35	Interest and Dividend Income (419)		7,183,930	8,749,524
36	Allowance for Other Funds Used During Construction (419.1)		511,745	297,467
37	Miscellaneous Nonoperating Income (421)		1,170,605	(17,743)
38	Gain on Disposition of Property (421.1)		0	(69)
39	TOTAL Other Income (Enter Total of lines 29 thru 38)		10,536,107	17,124,827
40	Other Income Deductions			
41	Loss on Disposition of Property (421.2)		-	-
42	Miscellaneous Amortization (425)	340	-	-
43	Miscellaneous Income Deductions (426.1-426.5)	340	2,520,484	3,439,731
44	TOTAL Other Income Deductions (Enter Total of lines 41 thru 43)		2,520,484	3,439,731
45	Taxes Applic. to Other Income and Deductions			
46	Taxes Other Than Income Taxes (408.2)	262-263E	30,000	30,000
47	Income Taxes-Federal (409.2)	262-263E	(681,049)	(602,218)
48	Income Taxes-Other (409.2)	262-263E	(79,116)	15,181
49	Provision for Deferred Inc. Taxes (410.2)	234,272-277	-	-
50	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234,272-277	(500,649)	583,270
51	Investment Tax Credit Adj. - Net (411.5)		-	-
52	(Less) Investment Tax Credits (420)		-	-
53	TOTAL Taxes on Other Income & Deductions (Enter Total of 46 - 52)		(229,516)	(1,140,307)
54	Net Other Income and Deductions (Enter Total of lines 39, 44, 53)		8,245,139	14,825,403
55	INTEREST CHARGES			
56	Interest on Long-Term Debt (427)		54,354,238	54,354,238
57	Amort. of Debt Disc. and Expense (428)	258-259	693,206	692,842
58	Amortization of Loss on Reacquired Debt (428.1)		1,652,528	1,850,433
59	(Less) Amort. of Premium on Debt-Credit (429)	258-259	-	-
60	(Less) Amortization of Gain on Reacquired Debt-Credit (429.1)		-	-
61	Interest on Debt to Assoc. Companies (430)	340	73,954	529,625
62	Other Interest Expense (431)	340	6,926,372	8,919,654
63	(Less) Allowance for Borrowed Funds Used During Construction-Credit (330,231	191,958
64	Net Interest Charges (Enter Total of 56 thru 63)		63,370,067	66,154,834
65	Income Before Extraordinary Items (Enter Total of lines 25, 54, and 64)		109,018,890	108,153,200
66	EXTRAORDINARY ITEMS			
67	Extraordinary Income (434)		-	-
68	(Less) Extraordinary Deductions (435)		-	-
69	Net Extraordinary Items (Enter Total of line 67 less line 68)		-	-
70	Income Taxes-Federal and Other (409.3)	262-263E	-	-
71	Extraordinary Items After Taxes (Enter Total of line 69 less line 70)		-	-
72	Net Income (Enter Total of lines 65 and 71)		\$109,018,890	\$108,153,200

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MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011	
RECONCILIATION OF DEFERRED INCOME TAX EXPENSE					
1. Report on this page the charges to accounts 410, 411 and 420 reported in the contra accounts 190, 281, 282, 283 and 284.					
2. The charges to the subaccounts of 410 and 411 found on pages 114-117 should agree with the subaccount totals reported on this page. In the event the deferred income tax expenses reported on pages 114-117 do not directly reconcile with the amounts found on this page, then provide the additional information requested in instruction #3, on a separate page.					
3. (a) Provide a detailed reconciliation of the applicable deferred income tax expense subaccount(s) reported on pages 114-117 with the amount reported on this page. (b) Identify all contra accounts (other than accounts 190 and 281-284). (c) Identify the company's regulatory authority to utilize a contra accounts other than accounts 190 or 281-284 for the recording of deferred income tax expense(s).					
Line No.		Electric Utility		Gas Utility	
1					
2	Debits to Account 410 from:				
3					
4	Account 190			\$16,365,835	
5	Account 281				
6	Account 282			39,744,644	
7	Account 283			60,061,508	
8	Account 284				
9	Account 244				
10	Total Account 410.1 (on pages 114-15 line 16)			\$116,171,987	
11	Total Account 410.2 (on pages 117 line 49)				
12					
13					
14	Credits to Account 411 from:				
15					
16	Account 190			\$27,248,056	
17	Account 281				
18	Account 282			6,801,576	
19	Account 283			29,819,507	
20	Account 284				
21	Reconciling Adjustments A/C 186-96				
22	Total Account 411.1 (on pages 114-15 line 17)			\$63,869,139	
23	Total Account 411.2 (on page 117 line 50)				
24					
25					
26	Net ITC Adjustment				
27					
28	ITC Utilized for the Year DR				
29	ITC Amortized for the Year CR			(895,404)	
30	ITC Adjustments:				
31	Adjust last year's estimate to actual per				
32	filed return				
33	Other (specify) Paysop Credit A/C 411-41				
34	Net Reconciling Adjustments Account 411.4*			(895,404)	
35	Net Reconciling Adjustments Account 411.5**				
36	Net Reconciling Adjustments Account 420***				
<p>* on pages 114-15 line 18</p> <p>** on page 117 line 51</p> <p>*** on page 117 line 52</p>					

MICHIGAN CONSOLIDATED GAS COMPANY				AN ORIGINAL	December 31, 2011
RECONCILIATION OF DEFERRED INCOME TAX EXPENSE					
ISD	Total Utility	Other Income	Total Company	Line No.	
				1	
				2	
				3	
	\$16,365,835		\$16,365,835	4	
	0		0	5	
	39,744,644		39,744,644	6	
	60,061,508		60,061,508	7	
	0		0	8	
	0		0	9	
\$0	\$116,171,987			10	
		\$0		11	
				12	
				13	
				14	
				15	
	\$27,248,056		\$27,248,056	16	
	0		0	17	
	6,801,576		6,801,576	18	
	29,819,507		29,819,507	19	
	0		0	20	
	0		0	21	
\$0	\$63,869,139			22	
		(\$500,649)		23	
				24	
				25	
				26	
				27	
\$0	\$0		\$0	28	
	(895,404)		(895,404)	29	
	0		0	30	
	0		0	31	
	0		0	32	
	0		0	33	
\$0	(\$895,404)			34	
				35	
		\$0		36	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2011
STATEMENT OF RETAINED EARNINGS FOR THE YEAR			
<p>1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.</p> <p>2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).</p> <p>3. State the purpose and amount for each reservation or appropriation of retained earnings.</p> <p>4. List first account 439, Adjustments to Retained Earnings reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items, in that order.</p> <p>5. Show dividends for each class and series of capital stock. Show amounts of dividends per share.</p> <p>6. Show separately the state and federal income tax effect of items shown for Account 439, Adjustments to Retained Earnings.</p> <p>7. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.</p> <p>8. If any notes appearing in the report to stockholders are applicable to this statement, attach them at page 122.</p>			
Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)		
1	Balance - Beginning of Year		475,491,979
2	Changes (Identify by prescribed retained earnings accounts)		-
3	Adjustments to Retained Earnings (Account 439)		
4	Credit:		
5	Credit: Miscellaneous Adjustment		-
6	Credit:		
7	Credit:		
8	TOTAL Credits to Retained Earnings (Account 439)		-
9	FAS 158 Pension Adjustments		-
10	Debit:		
11	Debit:		
12	Debit:		
13	TOTAL Debits to Retained Earnings (Account 439)		-
14	Balance Transferred from Income (Account 433 less Account 418.1)		107,256,821
15	Appropriations of Retained Earnings (Account 436)		
16			
17			
18			
19			
20			
21	TOTAL Appropriations of Retained Earnings (Account 436)		-
22	Dividends Declared - Preferred Stock (Account 437)		
23	Redeemable Cumulative Preferred Stock - \$2.05 - Series		-
24			
25			
26			
27			
28	TOTAL Dividends Declared - Preferred Stock (Account 437)		-

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2011
STATEMENT OF RETAINED EARNINGS FOR THE YEAR (Continued)			
Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
29	Dividends Declared - Common Stock (Account 438)		
30	Cash (Note)		80,000,000
31	Non-Cash		11,917,487
32			
33	(Note) As a wholly owned subsidiary of MCN Corporation dividends		
34	were not declared on a per share basis.		
35	TOTAL Dividends Declared - Common Stock (Account 438)		91,917,487
36	Transfers from Acct. 216.1, Unappropriated Undistrib. Subsidiary Earnings		715,387
37	Balance - End of Year (Enter Total of lines 1 thru 36)		491,546,700
	APPROPRIATED RETAINED EARNINGS (Account 215)		
	State balance and purpose of each appropriated retained earnings amount at end of year and give accounting entries for any applications of appropriated earnings during the year.		
38			
39			
40			
41			
42			
43	TOTAL Appropriated Retained Earnings (Account 215)		-
	APPROPRIATED RETAINED EARNINGS-AMORTIZATION RESERVE, FEDERAL (Account 215.1)		
	State below the total amount set aside through appropriations of retained earnings, as of the end of the year, in compliance with the provisions of Federally granted hydroelectric project licenses held by the respondent. If any reductions or changes other than the normal annual credits hereto have been made during the year, explain such items in a footnote.		
44	TOTAL Appropriated Retained Earnings-Amortization Reserve, Federal (Account 215.1)		-
45	TOTAL Appropriated Retained Earnings (Accounts 215,215.1)		-
46	TOTAL Retained Earnings (Account 215,215.1,216)		-
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)		
47	Balance - Beginning of Year (Debit or Credit)		3,470,250
48	Equity in Earnings for Year (Credit) (Account 418.1)		1,762,069
49	(Less) Dividends Received (Debit)		0
50	Other Changes (Explain)		(715,387)
51	Balance - End of Year (Enter Total of lines 47 thru 50)		4,516,932
<p>Michcon Pipeline Company and its two subsidiaries (MichCon Gathering Company and MichCon Lateral Company) were transferred to DTE Pipeline Company effective January 1, 2011.</p>			

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2011
STATEMENT OF CASH FLOWS			
1.	If the notes to the cash flow statement in the respondents annual stockholders report are applicable to this statement, such notes should be attached to page 122. Information about noncash investing and financing activities should be provided on page 122. Provide also on page 122 a reconciliation between "Cash and Cash Equivalents at End of Year" with related amounts on the balance sheet.		
2.	Under "Other" specify significant amounts and group others.		
3.	Operating Activities-Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on page 122 the amounts of interest paid (net of amounts capitalized) and income taxes paid.		
Line No.	DESCRIPTION (See Instructions for Explanation of Codes) (a)	Amounts (b)	
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 72 (c) on page 117)	\$109,018,890	
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	90,614,989	
5	Amortization of Cost to Achieve	2,828,988	
6			
7			
8	Deferred Income Taxes (Net)	52,803,497	
9	Investment Tax Credit Adjustment (Net)	(895,404)	
10	Net (Increase) Decrease in Receivables	(24,291,434)	
11	Net (Increase) Decrease in Inventory	(9,066,984)	
12	Net (Increase) Decrease in Allowances Inventory		
13	Net Increase (Decrease) in Payables and Accrued Expenses	(11,606,054)	
14	Net (Increase) Decrease in Other Regulatory Assets		
15	Net Increase (Decrease) in Other Regulatory Liabilities	(8,030,148)	
16	(Less) Allowance for Other Funds Used During Construction	511,745	
17	(Less) Undistributed Earnings from Subsidiary Companies	1,762,068	
18	Other Investments		
19	Other Current and Deferred Assets and Liabilities	157,844,684	
20	Loss/(Gain) of the Disposition of Property and Subsidiary Investments	(200,000)	
21	Debt Expense Amortization	2,344,674	
22	Other Operating	1,629,465	
23	Net Cash Provided by (Used in) Operating Activities:		
24	(Total of lines 2 thru 22)	\$360,721,350	
25			
26	Cash Flows from Investment Activities:		
27	Construction and Acquisition of Plant (including land):		
28	Gross Additions to Utility Plant (less nuclear fuel)	(156,572,595)	
29	Gross Additions to Nuclear Fuel		
30	Gross Additions to Common Utility Plant		
31	Gross Additions to Nonutility Plant		
32	(Less) Allowance for Other Funds Used During Construction	(511,745)	
33	Other:		
34	Net Property Retirements		
35	Removal Cost	(18,685,427)	
36	Cash Outflows for Plant (Total of lines 28 thru 36)	(174,746,277)	
37			
38	Acquisition of Other Noncurrent Assets (d)		
39	Proceeds from Disposal of Noncurrent Assets (d)		
40			
41	Investment in & Advances to Assoc. and Subsidiary Companies		
42	Contributions & Advances from Assoc. and Subsidiary Companies		
43	Disposition of Investments in (and Advances to)		
44	Associated and Subsidiary Companies		
45			
46	Purchase of Investment Securities (a)		
47	Proceeds from Sales of Investment Securities (a)		

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2011
STATEMENT OF CASH FLOWS (Continued)			
4.	Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed on page 122. Do not include on this statement the dollar amount of leases capitalized per USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant costs on page 122.		
5.	Codes used:		
	(a) Net proceeds or payments.		
	(b) Bonds, debentures and other long-term debt.		
	(c) Include commercial paper.		
	(d) Identify separately such items as investments, fixed assets, intangibles, etc.		
6.	Enter on page 122 clarifications and explanations.		
Line No.	DESCRIPTION (See Instruction No. 5 for Explanation of Codes) (a)	Amounts (b)	
48	Loans Made or Purchased		
49	Collections on Loans		
50			
51	Net (Increase) Decrease in Receivables		(580,128)
52	Net (Increase) Decrease in Inventory		
53	Net (Increase) Decrease in Allowances Held for Speculation		
54	Net Increase (Decrease) in Payables and Accrued Expenses		
55	Other:		
56	Other		
57			
58			
59			
60	Net Cash Provided by (Used in) Investing Activities		
61	(Total of lines 36 thru 55)		(175,326,405)
62			
63	Cash Flows from Financing Activities:		
64	Proceeds from Issuance of:		
65	Long-Term Debt (b)		
66	Preferred Stock		
67	Common Stock		
68	Other:		
69	Other		
70	Net Increase in Short-Term Debt (c)		(102,886,684)
71	Other:		
72	Capital Contribution by Parent Company		
73			
74	Cash Provided by Outside Sources (Total of lines 66 thru 73)		(102,886,684)
75			
76	Payments for Retirement of:		
77	Long-Term Debt (b)		
78	Preferred Stock		
79	Common Stock		
80	Other:		
81	Other		
82	Net Decrease in Short-Term Debt (c)		
83	Dividends on Preferred Stock		
84	Dividends on Common Stock		(80,000,000)
85	Net Cash Provided by (Used in) Financing Activities		
86	(Total of lines 75 thru 85)		(182,886,684)
87			
88	Net Increase (Decrease) in Cash and Cash Equivalents		
89	(Total of lines 24, 61, 86)		\$2,508,261
90			
91	Cash and Cash Equivalents at Beginning of Year		224,660
92			
93	Cash and Cash Equivalents at End of Year		2,732,921

STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

1. Report in columns (b) (c) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.
2. Report in columns (f) and (g) the amounts of other categories of other cash flow hedges.
3. For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.

[illegible]

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2011	
STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME , AND HEDGING ACTIVITIES						
Line No.	Other Cash Flow Hedges (Specify) (f)	Other Cash Flow Hedges (Specify)* (g)	Totals for each category of items Account 219 (h)	Net Income (Carried Forward from Page 117, Line 72) (i)	Total Comprehensive Income (j)	
1		(887,231)	(3,436,881)			
2			977,149			
3		89,524	89,524			
4		89,524	1,066,673	108,153,200	109,219,873	
5		(797,707)	(2,370,208)			
6			(76,875)			
7		89,524	89,524			
8		89,524	12,649	109,018,890	109,031,539	
9		(708,183)	(2,357,559)			
	*Cash flow hedge related to debt issuance					

NOTES TO FINANCIAL STATEMENTS

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.

2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.

3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.

4. Where Accounts 189, Unamortized Loss on Reacquired Debt and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform Systems of Accounts.

5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.

6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be attached hereto.

PAGE 122 INTENTIONALLY LEFT BLANK
SEE PAGE 123 FOR REQUIRED INFORMATION

NOTES TO FINANCIAL STATEMENTS (Continued)

Item 6

A. Cash Flow Statement

Cash And Cash Equivalents (Lines 91 and 93)

	2011	2010
Cash (131)	\$2,732,921	\$224,660
Working Funds (135)	-	-
Temporary Cash Investments (136)	-	-
Total Cash and Cash Equivalents	\$2,732,921	\$224,660
Interest Paid (Net of amount capitalized)	\$61,623,589	\$61,568,011
Income Taxes Paid (received)	(4,979,775)	(\$69,682)

B. These financial statements were prepared in accordance with the regulatory accounting principles (RAP) of the Michigan Public Service Commission as set forth in its applicable Uniform System of Accounts and published releases.

Such requirements and published releases constitute a basis of accounting other than generally accepted accounting principles (GAAP). The principal differences of this basis of accounting from GAAP include: accounting for majority-owned subsidiaries on the equity basis, the classification of certain deferred income taxes and related regulatory assets and liabilities, the exclusion of current maturities of long-term debt from current liabilities, the classification of non-legal removal costs, accounting for the Performance Excellence Process Costs to Achieve until June 2010, and financial statement presentation of Deferred Environmental Remediation Costs.

The "Notes to the Consolidated Financial Statements" from MichCon's 2011 Consolidated Financial Statements (as furnished to the United States Securities and Exchange Commission on Form 8-K) are filed herewith on Pages 123-3 to 123-29. Certain disclosures included in these notes are not applicable for this report as MichCon's subsidiaries are accounted for using the equity method of accounting for the purpose of this report, as well as other RAP versus GAAP differences highlighted above.

As of January 1, 2007, MichCon adopted ASC 740 Accounting for Uncertainty in Income Taxes-an Interpretation of FASB Statement No. 109, (FIN 48). The MPSC has not adopted ASC 740, therefore, the ASC 740 liabilities are classified in MPSC account 283, Accumulated Deferred Income Taxes-Other. As of December 31, 2010, MichCon had approximately \$2 million of ASC 740 liabilities for GAAP purposes. As of December 31, 2011, MichCon had approximately \$1 million of ASC 740 liabilities for GAAP purposes. The ASC 740 liabilities were classified in MPSC account 283, Accumulated Deferred Income Taxes-Other. Therefore, there were no ASC 740 liabilities separately reported for Form P-522 purposes.

NOTES TO FINANCIAL STATEMENTS (Continued)

Accounting for the Performance Excellence Process (PEP) / Cost to Achieve (CTA)

In September 2006, the MPSC approved the settlement of Case No. U-14907, MichCon's Performance Excellence Process (PEP) accounting case. Per the order, for MPSC Form P-522 reporting purposes, incremental costs to achieve (CTA) the PEP savings during 2006-08 were deferred in the period they were expensed. The non-pension component was recorded as a Regulatory Asset with ten year amortization of each annual layer beginning the subsequent year, and the pension component was recorded as a reduction to the Negative Pension Liability.

For the annual financial statements provided to the SEC (GAAP), these costs were not deferred until the order in MichCon's general rate case U-15985 was issued in June 2010 approving rate recovery of the CTA regulatory asset. At June 30, 2010, for GAAP reporting purposes, MichCon deferred and recognized in income \$32 million (\$20 million after-tax) of previously expensed CTA. Per order in case U-14907, the non-pension component was recorded as a Regulatory Asset net of accumulated amortization through May 2010, and the pension component was recorded as a reduction to the Negative Pension Liability.

The accounts impacted by CTA for reporting periods 2010 and 2011 are shown below, as recorded in the MPSC Form P-522 and GAAP statements. As a result of the CTA entries recorded on the GAAP books during 2010, there will no longer be a difference in basis of accounting between GAAP and the MPSC Form P-522 with respect to PEP accounting.

			MPSC Form P-522 (1)		GAAP (2)	
<u>Income Statement</u>						
<u>Acct</u>	<u>Description</u>		<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>
Cr. 930.2	CTA Deferral		-	-	(32,336,563)	-
Dr. 407.3	CTA Amortization		<u>2,828,988</u>	<u>2,828,988</u>	<u>1,650,243</u>	<u>2,828,988</u>
	Net Expense/(Deferral), Pretax		2,828,988	2,828,988	(30,686,320)	2,828,988
<u>Balance Sheet</u>			Balance at Dec. 31		Balance at Dec. 31	
<u>Acct</u>	<u>Description</u>		<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>
Dr. 186	CTA Regulatory Asset		28,289,878	28,289,878	28,289,878	28,289,878
Cr. 186	CTA Amortization		<u>(9,040,536)</u>	<u>(11,869,524)</u>	<u>(9,040,536)</u>	<u>(11,869,524)</u>
	CTA Regulatory Asset, Net		19,249,342	16,420,354	19,249,342	16,420,354
Dr. 253	Negative Pension Reg Liab, CTA impact		<u>11,436,978</u>	<u>11,436,978</u>	<u>11,436,978</u>	<u>11,436,978</u>
	Net Balance Sheet, CTA impact		30,686,320	27,857,332	30,686,320	27,857,332
(1) <u>MPSC Form P-522 reporting</u>						
Per the September 2006 order in MichCon's Performance Excellence Process (PEP) accounting case U-14907, MichCon deferred CTA in the period the expense was incurred during 2006-2008 with ten year amortization of each annual layer beginning the subsequent year.						
(2) <u>GAAP reporting</u>						
Per the June 2010 order in MichCon's general rate case U-15985 approving recovery of the CTA regulatory asset, MichCon deferred \$32,336,563 of CTA cost incurred during 2006-2008, net of accumulated amortization through May 2010.						
Amortization of \$1,650,243 for 7 months (June-Dec 2010) was subsequently recorded in account 407.3.						

Michigan Consolidated Gas Company
Notes to Consolidated Financial Statements

NOTE 1 — BASIS OF PRESENTATION

Corporate Structure

MichCon is a Michigan corporation organized in 1898. MichCon is an indirect, wholly-owned subsidiary of DTE Energy. MichCon is a public utility subject to regulation by the MPSC and the FERC. MichCon is engaged in the purchase, storage, transportation, distribution and sale of natural gas to approximately 1.2 million customers throughout Michigan and the sale of storage and transportation capacity.

References in this report to “we”, “us”, “our” or “Company” are to MichCon.

Basis of Presentation

The accompanying Consolidated Financial Statements are prepared using accounting principles generally accepted in the United States of America. These accounting principles require management to use estimates and assumptions that impact reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities. Actual results may differ from the Company's estimates.

Certain prior year balances were reclassified to match the current year's financial statement presentation.

Principles of Consolidation

The Company consolidates all majority owned subsidiaries and investments in entities in which it has controlling influence. Non-majority owned investments are accounted for using the equity method when the Company is able to influence the operating policies of the investee. Non-majority owned investments include investments in limited liability companies, partnerships or joint ventures. When the Company does not influence the operating policies of an investee, the cost method is used. The Company eliminates all intercompany balances and transactions.

The Company evaluates whether an entity is a variable interest entity (VIE) whenever reconsideration events occur. The Company consolidates VIEs for which it is the primary beneficiary. If the Company is not the primary beneficiary and an ownership interest is held, the VIE is accounted for under the equity method of accounting. When assessing the determination of the primary beneficiary, the Company considers all relevant facts and circumstances, including: the power, through voting or similar rights, to direct the activities of the VIE that most significantly impact the VIE's economic performance and the obligation to absorb the expected losses and/or the right to receive the expected returns of the VIE. The Company performs ongoing reassessments of all VIEs to determine if the primary beneficiary status has changed.

NOTE 2 — SIGNIFICANT ACCOUNTING POLICIES

Revenues

Revenues from the sale, delivery and storage of natural gas are recognized as services are provided. MichCon records revenues for gas provided but unbilled at the end of each month. Rates for MichCon include provisions to adjust billings for fluctuations in the cost of natural gas and certain other costs. Revenues are adjusted for differences between actual costs and the amounts billed in current rates. Under or over recovered revenues related to these cost recovery mechanisms are recorded on the Consolidated Statement of Financial Position and are recovered or returned to customers through adjustments to the billing factors.

MichCon has an RDM that is designed to minimize the impact on revenues of changes in average customer usage of natural gas. The June 2010 MPSC order in MichCon's 2009 rate case provided for, among other items, the implementation of a pilot RDM effective July 1, 2010, which enables MichCon to recover or refund the change in revenue resulting from the difference in weather-adjusted average sales per customer compared to the base average sales per customer established in the MPSC order. The pilot RDM program is subject to review in future MPSC proceedings. The RDM addresses changes in customer usage due to general economic conditions and conservation, but does not shield MichCon from the impacts of lost customers or weather variations.

See Note 8 for further discussion of recovery mechanisms authorized by the MPSC.

Comprehensive Income (Loss)

Comprehensive income (loss) is the change in Common shareholder's equity during a period from transactions and events from non-owner sources, including net income.

(in Millions)	Net Unrealized Loss on Derivatives	Benefit Obligation	Accumulated Other Comprehensive Loss
December 31, 2010	\$ (1)	\$ (1)	\$ (2)
December 31, 2011	\$ (1)	\$ (1)	\$ (2)

Cash Equivalents

Cash and cash equivalents include cash on hand, cash in banks and temporary investments purchased with remaining maturities of three months or less.

Receivables

Accounts receivable are primarily composed of trade receivables and unbilled revenue. Our accounts receivable are stated at net realizable value.

The allowance for doubtful accounts is generally calculated using the aging approach that utilizes rates developed in reserve studies. The Company establishes an allowance for uncollectible accounts based on historical losses and management's assessment of existing economic conditions, customer trends, and other factors. Customer accounts are generally considered delinquent if the amount billed is not received by the due date, which is typically in 21 days, however, factors such as assistance programs may delay aggressive action. MichCon assesses late payment fees on trade receivables based on contractual past-due terms with customers. Customer accounts are written off when collection efforts have been exhausted, generally one year after service has been terminated.

Unbilled revenues of \$110 million and \$157 million are included in customer accounts receivable at December 31, 2011 and 2010, respectively.

Notes Receivable

Notes receivable, or financing receivables, are primarily comprised of capital lease receivables and loans.

Notes receivable are typically considered delinquent when payment is not received for periods ranging from 60 to 120 days. The Company ceases accruing interest (nonaccrual status), considers a note receivable impaired, and establishes an allowance for credit loss when it is probable that all principal and interest amounts due will not be collected in accordance with the contractual terms of the note receivable. Cash payments received on nonaccrual status notes receivable, that do not bring the account contractually current, are first applied to contractually owed past due interest, with any remainder applied to principal. Accrual of interest is generally resumed when the note receivable becomes contractually current.

In determining the allowance for credit losses for notes receivable, we consider the historical payment experience and other factors that are expected to have a specific impact on the counterparty's ability to pay. In addition, the Company monitors the credit ratings of the counterparties from which we have notes receivable.

Inventories

MichCon generally values materials and supplies at average cost.

Gas inventory of \$52 million and \$43 million as of December 31, 2011 and 2010, respectively, is determined using the last-in, first-out (LIFO) method. At December 31, 2011, the replacement cost of gas remaining in storage exceeded the LIFO cost by \$95 million. At December 31, 2010, the replacement cost of gas remaining in storage exceeded the LIFO cost by \$147 million.

Gas Customer Choice Deferred Asset

Gas customer choice deferred asset represents gas provided to MichCon by suppliers of gas for customers that participate in the Customer Choice program. As the gas is sold and billed to Customer Choice customers, primarily in the December through March heating season, this asset is reduced. At the end of an April through March cycle each year, any balance is reconciled and settled with the various suppliers.

Property, Retirement and Maintenance, and Depreciation, Depletion and Amortization

Property is stated at cost and includes construction-related labor, materials, overheads and an allowance for funds used during construction (AFUDC). The cost of properties retired, including the cost of removal, less salvage value, is charged to accumulated depreciation. Expenditures for maintenance and repairs are charged to expense when incurred.

Property is depreciated over its estimated useful life using straight-line rates approved by the MPSC.

Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. If the carrying amount of the asset exceeds the expected future cash flows generated by the asset, an impairment loss is recognized resulting in the asset being written down to its estimated fair value. Assets to be disposed of are reported at the lower of the carrying amount or fair value, less costs to sell.

Excise and Sales Taxes

The Company records the billing of excise and sales taxes as a receivable with an offsetting payable to the applicable taxing authority, with no net impact on the Consolidated Statements of Operations.

Deferred Debt Costs

The costs related to the issuance of long-term debt are deferred and amortized over the life of each debt issue. In accordance with MPSC regulations, the unamortized discount, premium and expense related to debt redeemed with a refinancing are amortized over the life of the replacement issue.

Investments in Debt and Equity Securities

The Company generally classifies investments in debt and equity securities as trading and has recorded such investments at market value with unrealized gains or losses included in earnings.

Stock-Based Compensation

The Company received an allocation of costs from DTE Energy associated with stock-based compensation. Our allocation for stock-based compensation expense was approximately \$9 million in 2011 and \$7 million in 2010 and 2009.

Asset Gains, net

In 2009, MichCon sold certain gathering and processing assets resulting in a gain of \$21 million. Additionally, MichCon recognized a gain of \$9 million on the sale of base gas in 2009.

Subsequent Events

The Company has evaluated subsequent events through March 19, 2012, the date that these financial statements were available to be issued.

Other Accounting Policies

See the following notes for other accounting policies impacting the Company's consolidated financial statements:

Note	Title
3	Fair Value
4	Financial and Other Derivative Instruments
6	Asset Retirement Obligation
8	Regulatory Matters
9	Income Taxes
14	Retirement Benefits and Trusteed Assets

NOTE 3 — FAIR VALUE

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in a principal or most advantageous market. Fair value is a market-based measurement that is determined based on inputs, which refer broadly to assumptions that market participants' use in pricing assets or liabilities. These inputs can be readily observable, market corroborated or generally unobservable inputs. The Company makes certain assumptions it believes that market participants would use in pricing assets or liabilities, including assumptions about risk, and the risks inherent in the inputs to valuation techniques. Credit risk of the Company and its counterparties is incorporated in the valuation of assets and liabilities through the use of credit reserves, the impact of which was immaterial at December 31, 2011 and December 31, 2010. The Company believes it uses valuation techniques that maximize the use of observable market-based inputs and minimize the use of unobservable inputs.

A fair value hierarchy has been established, that prioritizes the inputs to valuation techniques used to measure fair value in three broad levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). In some cases, the inputs used to measure fair value might fall in different levels of the fair value hierarchy. All assets and liabilities are required to be classified in their entirety based on the lowest level of input that is significant to the fair value measurement in its entirety. Assessing the significance of a particular input may require judgment considering factors specific to the asset or liability, and may affect the valuation of the asset or liability and its placement within the fair value hierarchy. The Company classifies fair value balances based on the fair value hierarchy defined as follows:

- *Level 1* - Consists of unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access as of the reporting date.
- *Level 2* - Consists of inputs other than quoted prices included within Level 1 that are directly observable for the asset or liability or indirectly observable through corroboration with observable market data.
- *Level 3* - Consists of unobservable inputs for assets or liabilities whose fair value is estimated based on internally developed models or methodologies using inputs that are generally less readily observable and supported by little, if any, market activity at the measurement date. Unobservable inputs are developed based on the best available information and subject to cost-benefit constraints.

Fair Value of Financial Instruments

The fair value of long-term debt is determined by using quoted market prices when available and a discounted cash flow analysis based upon estimated current borrowing rates when quoted market prices are not available. The table below shows the fair value and the carrying value for long-term debt securities. Certain other financial instruments, such as notes payable, customer deposits and notes receivable are not shown as carrying value approximates fair value.

	December 31, 2011		December 31, 2010	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Long-Term Debt	\$1.045 billion	\$889 million	\$981 million	\$889 million

NOTE 4 — FINANCIAL AND OTHER DERIVATIVE INSTRUMENTS

The Company recognizes all derivatives at their fair value on the Consolidated Statements of Financial Position unless they qualify for certain scope exceptions, including the normal purchases and normal sales exception. Further, derivatives that qualify and are designated for hedge accounting are classified as either hedges of a forecasted transaction or the variability of cash flows to be received or paid related to a recognized asset or liability (cash flow hedge), or as hedges of the fair value of a recognized asset or liability or of an unrecognized firm commitment (fair value hedge). For cash flow hedges, the portion of the derivative gain or loss that is effective in offsetting the change in the value of the underlying exposure is deferred in Accumulated other comprehensive income and later reclassified into earnings when the underlying transaction occurs. For fair value hedges, changes in fair values for the derivative are recognized in earnings each period. Gains and losses from the ineffective portion of any hedge are recognized in earnings immediately. For derivatives that do not qualify or are not designated for hedge accounting, changes in the fair value are recognized in earnings each period.

The Company's primary market risk exposure is associated with commodity prices, credit and interest rates. MichCon has risk management policies to monitor and manage market risks.

Commodity Price Risk

The Company has fixed-priced contracts for portions of its expected gas supply requirements through 2014. Substantially all of these contracts meet the normal purchases and sales exception and are therefore accounted for under the accrual method. The Company may also sell forward transportation and storage capacity contracts. Forward transportation and storage contracts are not derivatives and are therefore accounted for under the accrual method.

Credit Risk

The Company is exposed to credit risk if customers or counterparties do not comply with their contractual obligations. MichCon maintains credit policies that significantly minimize overall credit risk. These policies include an evaluation of potential customers' and counterparties' financial condition, credit rating, collateral requirements or other credit enhancements such as letters of credit or guarantees. The Company generally uses standardized agreements that allow the netting of positive and negative transactions associated with a single counterparty. The Company maintains a provision for credit losses based on factors surrounding the credit risk of its customers, historical trends, and other information. Based on the Company's credit policies and its December 31, 2011 provision for credit losses, the Company's exposure to counterparty nonperformance is not expected to have a material adverse effect on the Company's financial statements.

Interest Rate Risk

MichCon occasionally uses treasury locks and other interest rate derivatives to hedge the risk associated with interest rate market volatility. In 2004, MichCon entered into an interest rate derivative to limit its sensitivity to market interest rate risk associated with the issuance of long-term debt. Such instrument was designated as a cash flow hedge. The Company subsequently issued long-term debt and terminated the hedge at a cost that is included in accumulated other comprehensive loss. Amounts recorded in other comprehensive loss will be reclassified to interest expense as the related interest affects earnings through 2033.

NOTE 5 — PROPERTY, PLANT AND EQUIPMENT

Summary of property by classification as of December 31:

(in Millions)	2011	2010
Property, Plant and Equipment		
Distribution	\$ 2,561	\$ 2,460
Storage	406	395
Transportation and Other	872	962
Total	3,839	3,817
Less Accumulated Depreciation		
Distribution	(1,041)	(1,019)
Storage	(127)	(108)
Transportation and Other	(396)	(495)
Total	(1,564)	(1,622)
Net Property, Plant and Equipment	\$ 2,275	\$ 2,195

AFUDC capitalized in 2011 was approximately \$1 million and no AFUDC was capitalized during 2010.

The composite depreciation rate for MichCon was 2.3% in 2011, 2.5% in 2010, and 3.1% in 2009.

The average estimated useful life for gas distribution and transportation property was 62 years and 61 years, respectively, at December 31, 2011.

Capitalized software costs are classified as Property, plant and equipment and the related amortization is included in Accumulated depreciation and amortization, on the Consolidated Statements of Financial Position. The Company capitalizes the costs associated with computer software it develops or obtains for use in its business. The Company amortizes capitalized software costs on a straight-line basis over the expected period of benefit, ranging from 5 to 15 years.

Capitalized software costs amortization expense was \$7 million in 2011, 2010 and 2009. The gross carrying amount and accumulated amortization of capitalized software costs at December 31, 2011 were \$95 million and \$55 million, respectively. The gross carrying amount and accumulated amortization of capitalized software costs at December 31, 2010 were \$96 million and \$51 million, respectively. Amortization expense for capitalized software costs is estimated to be \$7 million annually for 2012 through 2016.

NOTE 6 — ASSET RETIREMENT OBLIGATIONS

The Company has conditional retirement obligations for gas pipelines, certain service centers, compressor and gate stations. The Company recognizes such obligations as liabilities at fair market value when they are incurred, which generally is at the time the associated assets are placed in service. Fair value is measured using expected future cash outflows discounted at our credit-adjusted risk-free rate. The Company defers timing differences that arise in the expense recognition of legal asset retirement costs that are currently recovered in rates.

No liability has been recorded with respect to lead-based paint, as the quantities of lead-based paint in the Company's facilities are unknown. In addition, there is no incremental cost to demolitions of lead-based paint facilities vs. non-lead-based paint facilities and no regulations currently exist requiring any type of special disposal of items containing lead-based paint.

A reconciliation of the asset retirement obligation for 2011 follows:

(in Millions)

Asset retirement obligations at January 1, 2011	\$ 118
Accretion	7
Revision in estimated cash flows	(1)
Liabilities settled	(7)
Asset retirement obligations at December 31, 2011	<u>\$ 117</u>

NOTE 7 — RESTRUCTURING

Restructuring Costs

In 2005, the Company initiated a company-wide review of its operations called the Performance Excellence Process. In September 2006, the MPSC issued an order approving a settlement agreement that allowed MichCon, commencing in 2006, to defer the incremental CTA. Further, the order provided for MichCon to amortize the CTA deferrals over a ten-year period beginning with the year subsequent to the year the CTA was deferred. The September 2006 order did not provide a regulatory recovery mechanism for MichCon, therefore MichCon expensed CTA incurred during the period 2006 through 2008. The June 2010 MPSC order provided for MichCon's recovery of the regulatory unamortized balance of CTA. At June 30, 2010, MichCon deferred and recognized in income approximately \$32 million (\$20 million after-tax) of previously expensed CTA. The non-pension component of CTA of approximately \$21 million is included in Regulatory assets. The pension component of CTA of approximately \$11 million is included in Regulatory liabilities. MichCon amortized approximately \$3 million and \$2 million of deferred CTA costs in 2011 and 2010, respectively. Amounts expensed are recorded in Operation and maintenance expense on the Consolidated Statements of Operations. Deferred amounts are recorded in Regulatory assets and Regulatory liabilities on the Consolidated Statements of Financial Position. See Note 8.

NOTE 8 — REGULATORY MATTERS

Regulation

MichCon is subject to the regulatory jurisdiction of the MPSC, which issues orders pertaining to rates, recovery of certain costs, including the costs of regulatory assets, conditions of service, accounting and operating-related matters. MichCon's MPSC-approved rates charged to customers have historically been designed to allow for the recovery of costs, plus an authorized rate of return on our investments. MichCon operates natural gas storage and transportation facilities in Michigan as intrastate facilities regulated by the MPSC and provides intrastate storage and transportation services pursuant to an MPSC-approved tariff.

MichCon also provides interstate storage and transportation services in accordance with an Operating Statement on file with the FERC. The FERC's jurisdiction is limited and extends to the rates, non-discriminatory requirements and terms and conditions applicable to storage and transportation provided by MichCon in interstate markets. FERC granted MichCon authority to provide storage and related services in interstate commerce at market-based rates. MichCon provides transportation services in interstate commerce at cost-based rates approved by the MPSC and filed with the FERC.

We are subject to the requirements of other regulatory agencies with respect to safety, the environment and health.

Regulatory Assets and Liabilities

MichCon is required to record regulatory assets and liabilities for certain transactions that would have been treated as revenue or expense in non-regulated businesses. Continued applicability of regulatory accounting treatment requires that rates be designed to recover specific costs of providing regulated services and be charged to and collected from customers. Future regulatory changes or changes in the competitive environment could result in the discontinuance of this accounting treatment for regulatory assets and liabilities for some or all of our businesses and may require the write-off of the portion of any regulatory asset or liability that was no longer probable of recovery through regulated rates. Management believes that currently available facts support the continued use of regulatory assets and liabilities and that all regulatory assets and liabilities are recoverable or refundable in the current rate environment.

The following are balances and a brief description of the regulatory assets and liabilities as of December 31:

(in Millions)	2011	2010
Assets		
Recoverable pension and postretirement costs:		
Pension	\$ 552	\$ 413
Postretirement costs	196	152
Recoverable Michigan income taxes	54	64
Deferred environmental costs	49	41
Recoverable uncollectible expense	41	90
Unamortized loss on reacquired debt	28	30
Cost to achieve Performance Excellence Process	16	19
Other	24	11
	<u>960</u>	<u>820</u>
Less amount included in current assets	(41)	(42)
	<u>\$ 919</u>	<u>\$ 778</u>
Liabilities		
Asset removal costs	\$ 346	\$ 347
Negative pension offset	120	129
Refundable income taxes	66	77
Accrued GCR refund	26	8
Refundable uncollectible expense	18	—
Energy Optimization	10	—
Low Income Energy Efficiency Fund	3	—
Refundable self implemented rates	1	26
Refundable Michigan income taxes	—	56
Other	2	5
	<u>592</u>	<u>648</u>
Less amount included in current liabilities and other liabilities	(27)	(34)
	<u>\$ 565</u>	<u>\$ 614</u>

As noted below, regulatory assets for which costs have been incurred have been included (or are expected to be included, for costs incurred subsequent to the most recently approved rate case) in MichCon's rate base, thereby providing a return on invested costs. Certain regulatory assets do not result from cash expenditures and therefore do not represent investments included in rate base or have offsetting liabilities that reduce rate base.

ASSETS

- *Recoverable pension and postretirement costs* - The Company recognizes actuarial gains or losses and prior service costs that arise during the period but that are not immediately recognized as components of net periodic benefit costs as a regulatory asset since the traditional rate setting process allows for the recovery of pension and postretirement costs. The asset will reverse as the deferred items are recognized as benefit expenses in net income. (1)
- *Recoverable Michigan income taxes* — In July 2007, the Michigan Business Tax (MBT) was enacted by the State of Michigan. State deferred tax liabilities were established for the Company, and offsetting regulatory assets were recorded as the impacts of the deferred tax liabilities will be reflected in rates as the related taxable temporary differences reverse and flow through current income tax expense. In May 2011, the MBT was repealed and the Michigan Corporate Income Tax (MCIT) was enacted. The regulatory asset was remeasured to reflect the impact of the MCIT tax rate. (1)
- *Deferred environmental costs* - The MPSC approved the deferral of investigation and remediation costs associated with former MGP sites. Amortization of deferred costs is over a ten-year period beginning in the year after costs were incurred, with recovery (net of any insurance proceeds) through base rate filings.

- *Recoverable uncollectible expense* - Receivable for the MPSC approved uncollectible expense tracking mechanism that tracks the difference in the fluctuation in uncollectible accounts and amounts recognized pursuant to the MPSC authorization.
- *Unamortized loss on reacquired debt* - The unamortized discount, premium and expense related to debt redeemed with a refinancing are deferred, amortized and recovered over the life of the replacement issue.
- *Cost to achieve Performance Excellence Process (PEP)* - The MPSC authorized the deferral of costs to implement the PEP. These costs consist of employee severance, project management and consultant support. These costs are amortized over a ten-year period beginning with the year subsequent to the year the costs were deferred.

(1) Regulatory assets not earning a return.

LIABILITIES

- *Asset removal costs* - The amount collected from customers for the funding of future asset removal activities.
- *Negative pension offset* - The Company's negative pension costs are not included as a reduction to its authorized rates; therefore, the Company is accruing a regulatory liability to eliminate the impact on earnings of the negative pension expense accrued. This regulatory liability will reverse to the extent the Company's pension expense is positive in future years.
- *Refundable income taxes* - Income taxes refundable to our customers representing the difference in property-related deferred income taxes payable and amounts recognized pursuant to MPSC authorization.
- *Accrued GCR refund* - Liability for the temporary over-recovery of and a return on gas costs incurred by MichCon which are recoverable through the GCR mechanism.
- *Refundable uncollectible expense (UETM)* — Liability for the MPSC approved uncollectible expense tracking mechanism that tracks the difference in the fluctuation in uncollectible accounts and amounts recognized pursuant to the MPSC authorization.
- *Energy Optimization (EO)* - The EO plan is designed to help each customer class reduce their electric usage by: 1) building customer awareness of energy efficiency options and 2) offering a diverse set of programs and participation options that result in energy savings for each customer class. The regulatory liability represents EO surcharges collected on excess of EO plan expenditures incurred.
- *Low Income Energy Efficiency Fund (LIEEF)* — Escrow of LIEEF funds collected by MichCon as ordered by the MPSC pursuant to July 2011 Michigan Court of Appeals decision.
- *Refundable self implemented rates* - Amounts refundable to customers for base rates implemented by MichCon in excess of amounts authorized in MPSC orders.
- *Refundable Michigan income taxes* — In July 2007, the MBT was enacted by the State of Michigan. State deferred tax assets were established for the Company, and offsetting regulatory liabilities were recorded as the impacts of the deferred tax assets will be reflected in rates. In May 2011, the MBT was repealed and the MCIT was enacted. The state deferred tax assets were eliminated under the MCIT and related regulatory liabilities were remeasured to zero.

Energy Optimization (EO) Plans

In April 2011, MichCon filed an application for approval of its reconciliation of 2010 EO plan expenses. MichCon's EO reconciliation includes a cumulative \$5.6 million net over-recovery at year end 2010 for the 2010 EO plan. In November 2011, the MPSC approved a settlement agreement which authorized the over-recovery balances be included in the 2011 reconciliations.

In September 2011, MichCon filed a biennial EO Plan with the MPSC as required. MichCon's EO Plan application proposed the recovery of EO expenditures for the period 2012-2015 of \$103 million and further requested approval of surcharges to

recover these costs.

MichCon UETM

In March 2011, MichCon filed an application with the MPSC for approval of its UETM for 2010 requesting recovery of approximately \$31 million, consisting of \$7 million related to 2010 uncollectible expense and \$24 million related to the 2008 UETM under-collection. In September 2011, the MPSC approved a settlement agreement approving the 2010 UETM and the implementation of a surcharge beginning October 1, 2011.

MichCon Revenue Decoupling Mechanism (RDM)

In September 2011, MichCon filed an application with the MPSC for approval of its RDM reconciliation for the period July 1, 2010 through June 30, 2011. MichCon's RDM application proposed the recovery of approximately \$20 million.

Low Income Energy Efficiency Fund

The Customer Choice and Electricity Reliability Act of 2000 authorized the creation of the LIEEF administered by the MPSC. The purpose of the fund is to provide shut-off and other protection for low income customers and to promote energy efficiency by all customer classes. MichCon collects funding for the LIEEF as part of its base rates and remits the funds to the State of Michigan monthly. In July 2011, the Michigan Court of Appeals issued a decision reversing the portion of MichCon's June 2010 MPSC rate order that permitted MichCon to recover funding for the LIEEF in base rates. In response to the Court of Appeals decision, MichCon ceased remitting payments for LIEEF funding to the State of Michigan. In October 2011, the MPSC issued an order directing MichCon to continue collecting funds for LIEEF in rates and to escrow the collected funds pending further order by the MPSC. On January 26, 2012, the MPSC issued an order directing MichCon to file a comprehensive plan by March 1, 2012 for refunding previously escrowed LIEEF funds of \$3 million. On December 20, 2011, The Vulnerable Household Warmth Fund (VHWF) was created under Michigan law. The purpose of the fund is to provide payment or partial payment of bills for electricity, natural gas, propane, heating oil, or any other type of fuel used to heat the primary residence of a vulnerable customer during the 2011-2012 heating season. Effective with the new law, MichCon is to contribute the amounts collected in its base rates, previously remitted for the LIEEF, to the new VHWF. The monthly payments into the VHWF will cease on the earlier of September 30, 2012 or when \$48 million has been accumulated in the fund from payments by major Michigan electric and gas utilities.

Gas Cost Recovery Proceedings

The GCR process is designed to allow MichCon to recover all of its gas supply costs if incurred under reasonable and prudent policies and practices. The MPSC reviews these costs, policies and practices for prudence in annual plan and reconciliation filings.

2009-2010 GCR Year - An MPSC order was issued on December 6, 2011 for the GCR reconciliation for the 12-month period ended March 31, 2010 disallowing recovery of \$3.3 million related to the pricing of certain gas purchases from an affiliate. The MPSC also authorized MichCon to include in its 2010-2011 GCR reconciliation beginning balance the net overrecovery of approximately \$9 million. On January 5, 2012, MichCon filed a petition for rehearing related to the \$3.3 million disallowance.

2010-2011 Plan Year - In June 2011, MichCon filed its 2010-2011 GCR plan year reconciliation case calculating a net over-recovery of \$1 million, including interest. This over-recovery does not reflect the December 6, 2011 MPSC order on the 2009-2010 plan year reconciliation case.

2011-2012 Plan Year - In December 2010, MichCon filed its GCR plan case for the 2011-2012 GCR plan year. MichCon filed for a maximum base GCR factor of \$5.89 per Mcf adjustable monthly by a contingency factor.

2012-2013 Plan Year - In December 2011, MichCon filed its GCR plan case for the 2012-2013 GCR plan year. MichCon filed for a maximum base GCR factor of \$5.18 per Mcf adjustable monthly by a contingency factor.

Gas Main Renewal and Gas Meter Move Out Programs

The June 3, 2010 MPSC gas rate case order required MichCon to make filings related to gas main renewal and meter move-out programs. In a July 30, 2010 filing, MichCon proposed to implement a 10-year gas main renewal program beginning in 2012 which would require capital expenditures of approximately \$17 million per year for renewing gas distribution mains, retiring gas mains, and where appropriate and when related to the gas main renewal or retirement activity, relocate inside meters to

outside locations and renew service lines. In a September 30, 2010 filing, MichCon proposed to implement a 10-year gas meter move out program beginning in 2012 which would require capital expenditures of approximately \$22 million per year primarily for relocation of inside meters to the outside of residents' houses. In September 2011, the MPSC issued orders approving both programs and requested MichCon to include the recovery of costs associated with these two programs in future MichCon rate cases.

Other

The Company is unable to predict the outcome of the unresolved regulatory matters discussed herein. Resolution of these matters is dependent upon future MPSC orders and appeals, which may materially impact the financial position, results of operations and cash flows of the Company.

NOTE 9 — INCOME TAXES

Income Tax Summary

MichCon is part of the consolidated federal income tax return of DTE Energy. Our federal income tax expense is determined on an individual company basis with no allocation of tax benefits or expenses from other affiliates of DTE Energy. MichCon had an income tax receivable of \$42 million at December 31, 2011 and \$48 million at December 31, 2010 due from DTE Energy.

Total income tax expense varied from the statutory federal income tax rate for the following reasons:

(Dollars in Millions)	2011	2010	2009
Income tax expense at 35% statutory rate	\$ 59	\$ 69	\$ 46
Depreciation	(7)	(7)	(7)
State and local income taxes, net of federal benefit	9	9	3
Other, net	(2)	(3)	(2)
Total	<u>\$ 59</u>	<u>\$ 68</u>	<u>\$ 40</u>
Effective income tax rate	<u>35.1%</u>	<u>34.3%</u>	<u>30.0%</u>

Components of income tax expense (benefit) were as follows:

(in Millions)	2011	2010	2009
Current income taxes			
Federal	\$ —	\$ (5)	\$ (21)
State and other income tax expense	6	3	4
Total current income taxes	<u>6</u>	<u>(2)</u>	<u>(17)</u>
Deferred federal and other income tax expense			
Federal	46	60	56
State and other income tax expense	7	10	1
Total deferred income taxes	<u>53</u>	<u>70</u>	<u>57</u>
Total	<u>\$ 59</u>	<u>\$ 68</u>	<u>\$ 40</u>

Deferred tax assets and liabilities are recognized for the estimated future tax effect of temporary differences between the tax basis of assets or liabilities and the reported amounts in the financial statements. Deferred tax assets and liabilities are classified as current or noncurrent according to the classification of the related assets or liabilities. Deferred tax assets and liabilities not related to assets or liabilities are classified according to the expected reversal date of the temporary differences. Consistent with rate making treatment, deferred taxes are offset in the table below for temporary differences which have related regulatory assets and liabilities.

Deferred income tax assets (liabilities) were comprised of the following at December 31:

(in Millions)	2011	2010
Property, plant and equipment	\$ (430)	\$ (341)
Pension and benefits	(154)	(127)
Net operating loss	58	76
Other comprehensive income	2	1
Other, net	—	(25)
	<u>\$ (524)</u>	<u>\$ (416)</u>
Current deferred income tax assets	\$ 36	\$ 38
Long term deferred income tax liabilities	(560)	(454)
	<u>\$ (524)</u>	<u>\$ (416)</u>
Deferred income tax liabilities	\$ (919)	\$ (935)
Deferred income tax assets	395	519
	<u>\$ (524)</u>	<u>\$ (416)</u>

The above table excludes unamortized investment tax credits of \$8 million and \$9 million at December 31, 2011 and 2010, respectively. Investment tax credits are deferred and amortized to income over the average life of the related property.

Uncertain Tax Positions

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

(in Millions)	2011	2010
Balance at January 1	\$ 2	\$ 12
Reductions for tax positions of prior years	(1)	(1)
Settlements	—	(9)
Balance at December 31	<u>\$ 1</u>	<u>\$ 2</u>

Unrecognized tax benefits at December 31, 2011 and December 31, 2010, if recognized, would not have a significant impact on our effective rate.

The Company recognizes interest and penalties pertaining to income taxes in Interest expense and Other expenses, respectively, on its Consolidated Statements of Operations. The Company had insignificant amounts of accrued interest at December 31, 2011 and December 31, 2010. The Company had no accrued penalties pertaining to income taxes. We had an insignificant interest benefit in relation to income tax for the year ended December 31, 2011 and \$1 million interest benefit in relation to income tax for the years ended December 31, 2010.

In 2010, DTE Energy and its subsidiaries settled a federal tax audit for the 2007 and 2008 tax years, which resulted in the recognition of \$9 million of unrecognized tax benefits by MichCon. The Company's federal income tax returns for 2009 and subsequent years remain subject to examination by the IRS. The Company's Michigan Business Tax returns for 2008 and subsequent years remain subject to examination by the State of Michigan.

Michigan Corporate Income Tax (MCIT)

On May 25, 2011, the Michigan Business Tax (MBT) was repealed and the MCIT was enacted and became effective January 1, 2012. The MCIT subjects corporations with business activity in Michigan to a 6 percent tax rate on an apportioned income tax base and eliminates the modified gross receipts tax and nearly all credits available under the MBT. The MCIT also eliminated the future deductions allowed under MBT that enabled companies to establish a one-time deferred tax asset upon enactment of the MBT to offset deferred tax liabilities that resulted from enactment of the MBT.

As a result of the enactment of the MCIT, the net state deferred tax liability was remeasured to reflect the impact of the MCIT tax rate on cumulative temporary differences expected to reverse after the effective date. The net impact of this remeasurement was a decrease in deferred income tax liabilities of \$6 million that was offset against the regulatory asset established upon the enactment of the MBT. Due to the elimination of the future tax deductions allowed under the MBT, the one-time MBT deferred tax asset that was established upon the enactment of the MBT has been remeasured to zero. The net impact of this

remeasurement is a reduction of net deferred tax assets of \$53 million that was offset against the Regulatory liability established upon enactment of the MBT.

Consistent with the original establishment of this deferred tax liability, no recognition of this non-cash transaction has been reflected in the Consolidated Statements of Cash Flows.

NOTE 10 — LONG-TERM DEBT AND PREFERRED SECURITIES

Long-Term Debt

Our long-term debt outstanding and interest rates of debt outstanding at December 31 were:

(in Millions)	2011	2010
First Mortgage Bonds, interest payable semi-annually		
7.06% series due 2012	\$ 40	\$ 40
8.25% series due 2014	80	80
Senior notes, interest payable semi-annually		
5.26% series due 2013	60	60
5.94% series due 2015	140	140
6.04% series due 2018	100	100
5.00% series due 2019	120	120
6.36% series due 2020	50	50
6.44% series due 2023	25	25
6.78% series due 2028	75	75
5.70% series due 2033	200	200
	<u>890</u>	<u>890</u>
Less: amount due within one year	(40)	—
Less: unamortized discount	(1)	(1)
Total	<u>\$ 849</u>	<u>\$ 889</u>

The following table shows the scheduled debt maturities, excluding any unamortized discount or premium on debt:

(in Millions)	2012	2013	2014	2015	2016	2017 and thereafter	Total
Amount to mature	\$ 40	\$ 60	\$ 80	\$ 140	\$ —	\$ 570	\$ 890

Cross Default Provisions

Substantially all of the net properties of MichCon are subject to the lien of its mortgage. Should MichCon fail to timely pay its indebtedness under the mortgage, such failure may create cross defaults in the indebtedness of DTE Energy.

Preferred and Preference Securities - Authorized and Unissued

At December 31, 2011, MichCon had 7 million shares of preferred stock with a par value of \$1 per share and 4 million shares of preference stock with a par value of \$1 per share authorized, with no shares issued.

NOTE 11 — SHORT-TERM CREDIT ARRANGEMENTS AND BORROWINGS

In October 2011, MichCon entered into an amended and restated \$400 million five-year unsecured revolving credit agreement with a syndicate of 20 banks that may be used for general corporate borrowings, but is intended to provide liquidity support for the Company's commercial paper program. No one bank provides more than 8.5% of the commitment in any facility. Borrowings under the facility are available at prevailing short-term interest rates.

The above agreements require the Company to maintain a total funded debt to capitalization ratio of no more than 0.65 to 1. In the agreements, "total funded debt" means all indebtedness of the Company and its consolidated subsidiaries, including capital

lease obligations, hedge agreements and guarantees of third parties' debt, but excluding contingent obligations, nonrecourse and junior subordinated debt and, except for calculations at the end of the second quarter, certain MichCon short-term debt. "Capitalization" means the sum of (a) total funded debt plus (b) "consolidated net worth," which is equal to consolidated total stockholders' equity of the Company and its consolidated subsidiaries (excluding pension effects under certain FASB statements), as determined in accordance with accounting principles generally accepted in the United States of America. At December 31, 2011, the total funded debt to total capitalization ratio for MichCon is 0.45 to 1 and is in compliance with this financial covenant. Should MichCon have delinquent obligations of at least \$50 million to any creditor, such delinquency will be considered a default under its credit agreement.

At December 31, 2011, the Company had outstanding commercial paper of \$185 million, resulting in net availability under the combined facilities of \$215 million. At December 31, 2010, the Company had outstanding commercial paper of \$150 million.

The weighted average interest rates for short-term borrowings were 0.5% and 0.4% at December 31, 2011 and 2010, respectively.

NOTE 12 — OPERATING LEASES

Lessee - MichCon leases various assets under operating lease arrangements expiring at various dates through 2025. Some leases contain renewal options. Future minimum lease payments under non-cancelable leases at December 31, 2011 were:

(in Millions)	Operating Leases
2012	\$ 1
2013	1
Total minimum lease payments	<u>\$ 2</u>

Rental expense for operating leases was \$1 million in 2011, 2010 and 2009.

Lessor - MichCon leases a portion of its pipeline system to the Vector Pipeline through a capital lease contract that expires in 2020, with renewal options extending for five years. DTE Energy owns a 40% interest in the Vector Pipeline. The components of the net investment in the capital lease at December 31, 2011, are as follows:

(in Millions)	
2012	\$ 9
2013	9
2014	9
2015	9
2016	9
Thereafter	35
Total minimum future lease receipts	<u>80</u>
Residual value of leased pipeline	40
Less unearned income	<u>(50)</u>
Net investment in capital lease	70
Less current portion	<u>(2)</u>
	<u>\$ 68</u>

NOTE 13 — COMMITMENTS AND CONTINGENCIES

Environmental Matters

Contaminated Sites — Prior to the construction of major interstate natural gas pipelines, gas for heating and other uses was manufactured locally from processes involving coal, coke or oil. The facilities, which produced gas, have been designated as manufactured gas plant (MGP) sites. MichCon owns, or previously owned, 14 former MGP sites. Investigations have revealed contamination related to the by-products of gas manufacturing at each site. In addition to the MGP sites, the Company is also

in the process of cleaning up other contaminated sites. Cleanup activities associated with these sites will be conducted over the next several years.

The MPSC has established a cost deferral and rate recovery mechanism for investigation and remediation costs incurred at former MGP sites. Accordingly, MichCon recognizes a liability and corresponding regulatory asset for estimated investigation and remediation costs at former MGP sites. As of December 31, 2011 and December 31, 2010, the Company had \$36 million, accrued for remediation.

Any significant change in assumptions, such as remediation techniques, nature and extent of contamination and regulatory requirements, could impact the estimate of remedial action costs for the sites and affect the Company's financial position and cash flows. The Company anticipates the cost amortization methodology approved by the MPSC for MichCon, which allows MichCon to amortize the MGP costs over a ten-year period beginning with the year subsequent to the year the MGP costs were incurred, will prevent environmental costs from having a material adverse impact on the Company's results of operations.

Labor Contracts

There are several bargaining units for the Company's represented employees. The majority of represented employees are under a contract that expires in October 2013.

Purchase Commitments

As of December 31, 2011, the Company was party to numerous long-term purchase commitments relating to a variety of goods and services required for its business. These agreements primarily consist of long-term gas purchase and transportation agreements. The Company estimates that these commitments will be approximately \$1.2 billion through 2051. MichCon also estimates that 2012 capital expenditures will be approximately \$215 million. The Company has made certain commitments in connection with expected capital expenditures.

Bankruptcies

The Company purchases and sells gas and gas storage and transportation services from and to governmental entities and numerous companies operating in the steel, automotive, energy, retail and other industries. Certain of its customers have filed for bankruptcy protection under Chapter 11 of the U.S. Bankruptcy Code. The Company regularly reviews contingent matters relating to these customers and its purchase and sale contracts and it records provisions for amounts considered at risk of probable loss. The Company believes its previously accrued amounts are adequate for probable loss. The final resolution of these matters may have a material effect on its consolidated financial statements.

Other Contingencies

The Company is involved in certain other legal, regulatory, administrative and environmental proceedings before various courts, arbitration panels and governmental agencies concerning claims arising in the ordinary course of business. These proceedings include certain contract disputes, additional environmental reviews and investigations, audits, inquiries from various regulators, and pending judicial matters. The Company cannot predict the final disposition of such proceedings. The Company regularly reviews legal matters and records provisions for claims that it can estimate and are considered probable of loss. The resolution of these pending proceedings is not expected to have a material effect on its operations or financial statements in the periods they are resolved. See Note 8 for a discussion of contingencies related to Regulatory Matters.

NOTE 14 — RETIREMENT BENEFITS AND TRUSTEED ASSETS

Pension Plan Benefits

MichCon participates in various plans that provide pension and other postretirement benefits for DTE Energy and its affiliates. The plans are sponsored by DTE Energy Corporate Services, LLC (LLC), a subsidiary of DTE Energy. MichCon is allocated net periodic benefit costs (credits) for its share of the amounts of the combined plans.

The Company's policy is to fund pension costs by contributing amounts consistent with the Pension Protection Act of 2006 provisions and additional amounts it deems appropriate. The Company did not make a contribution to its pension plans in 2011. At the discretion of management, and depending on financial market conditions, the Company anticipates making a contribution of \$40 million in 2012.

The MPSC approved the deferral of the non-capitalized portion of the Company's negative pension expense. In 2011 and 2010,

the Company deferred \$8 million and \$4 million, respectively, as a regulatory liability.

Net pension cost (credit) includes the following components:

(in Millions)	2011	2010	2009
Service cost	\$ 14	\$ 12	\$ 9
Interest cost	41	42	42
Expected return on plan assets	(72)	(81)	(87)
Amortization of:			
Net loss	30	17	2
Net pension cost (credit)	<u>\$ 13</u>	<u>\$ (10)</u>	<u>\$ (34)</u>

(in Millions)	2011	2010
Other changes in plan assets and benefit obligations recognized in Regulatory assets and Other comprehensive income		
Net actuarial loss	\$ 169	\$ 22
Amortization of net actuarial loss	(30)	(17)
Total recognized in Regulatory assets	<u>\$ 139</u>	<u>\$ 5</u>
Total recognized in Net pension cost (credit) and Regulatory assets (liabilities)	<u>\$ 152</u>	<u>\$ (5)</u>
Estimated amounts to be amortized from Regulatory assets into net periodic benefit cost during next fiscal year		
Net actuarial loss	<u>\$ 37</u>	<u>\$ 27</u>

The following table reconciles the obligations, assets and funded status of the Company's portion of the pension plans as well as the amounts recognized as prepaid pension cost in the Consolidated Statements of Financial Position at December 31:

(in Millions)	2011	2010
Accumulated benefit obligation, end of year	\$ 793	\$ 709
Change in projected benefit obligation		
Projected benefit obligation, beginning of year	\$ 767	\$ 722
Service cost	14	11
Interest cost	41	41
Actuarial loss	91	35
Benefits paid	(42)	(42)
Projected benefit obligation, end of year	\$ 871	\$ 767
Change in plan assets		
Plan assets at fair value, beginning of year	\$ 894	\$ 842
Actual return on plan assets	(7)	94
Benefits paid	(41)	(42)
Plan assets at fair value, end of year	\$ 846	\$ 894
Funded status of the plans, December 31	\$ (25)	\$ 127
Amounts recorded as:		
Noncurrent assets	\$ 112	\$ 178
Current liabilities	(1)	(1)
Noncurrent liabilities	(136)	(50)
	\$ (25)	\$ 127
(in Millions)		
Amounts recognized in Regulatory assets and Accumulated other comprehensive loss		
Net actuarial loss	\$ 559	\$ 419
Prior service cost	(4)	(4)
	\$ 555	\$ 415
Regulatory assets	\$ 552	\$ 413
Other comprehensive loss	3	2
	\$ 555	\$ 415

Assumptions used in determining the projected benefit obligation and net pension costs are listed below:

	2011	2010	2009
Projected benefit obligation			
Discount rate	5.00%	5.50%	5.90%
Rate of compensation increase	4.20%	4.00%	4.00%
Net pension costs			
Discount rate	5.50%	5.90%	6.90%
Rate of compensation increase	4.00%	4.00%	4.00%
Expected long-term rate of return on Plan assets	8.50%	8.75%	8.75%

The Company employs a formal process in determining the long-term rate of return for various asset classes. Management reviews historic financial market risks and returns and long-term historic relationships between the asset classes of equities, fixed income and other assets, consistent with the widely accepted capital market principle that asset classes with higher volatility generate a greater return over the long-term. Current market factors such as inflation, interest rates, asset class risks

and asset class returns are evaluated and considered before long-term capital market assumptions are determined. The long-term portfolio return is also established employing a consistent formal process, with due consideration of diversification, active investment management and rebalancing. Peer data is reviewed to check for reasonableness. The long-term portfolio return is also established employing a consistent formal process, with due consideration of diversification, active investment and rebalancing. Peer data is reviewed to check for reasonableness. As a result of this process, the Company is lowering its long-term rate of return assumptions for its pension and OPEB plans to 8.25% for 2012. The Company believes this rate is a reasonable assumption for the long-term rate of return on its plan assets for 2012 given its investment strategy.

At December 31, 2011, the benefits related to the Company's qualified and nonqualified pension plans expected to be paid in each of the next five years and in the aggregate for the five fiscal years thereafter are as follows:

(In millions)

2012	\$ 46
2013	47
2014	47
2015	49
2016	51
2017 - 2021	286
Total	\$ 526

The Company employs a total return investment approach whereby a mix of equities, fixed income and other investments are used to maximize the long-term return on plan assets consistent with prudent levels of risk, with consideration given to the liquidity needs of the plan. Risk tolerance is established through consideration of future plan cash flows, plan funded status, and corporate financial considerations. The investment portfolio contains a diversified blend of equity, fixed income and other investments. Furthermore, equity investments are diversified across U.S. and non-U.S. stocks, growth and value investment styles, and large and small market capitalizations. Fixed income securities generally include corporate bonds of companies from diversified industries, mortgage-backed securities, and U.S. Treasuries. Other assets such as private equity and hedge funds are used to enhance long-term returns while improving portfolio diversification. Derivatives may be utilized in a risk controlled manner, to potentially increase the portfolio beyond the market value of invested assets and reduce portfolio investment risk. Investment risk is measured and monitored on an ongoing basis through annual liability measurements, periodic asset/liability studies, and quarterly investment portfolio reviews.

Target allocations for plan assets as of December 31, 2011 are listed below:

U.S. Large Cap Equity Securities	22%
U.S. Small Cap and Mid Cap Equity Securities	5%
Non U.S. Equity Securities	20%
Fixed Income Securities	25%
Hedge Funds and Similar Investments	20%
Private Equity and Other	8%
	100%

Fair Value Measurements at December 31, 2011(a)

(in Millions)	Level 1	Level 2	Level 3	Balance at December 31, 2011
Asset Category:				
Short-term investments (b)	\$ —	\$ 10	\$ —	\$ 10
Equity securities				
U.S. Large Cap (c)	190	12	—	202
U.S. Small/Mid Cap (d)	48	1	—	49
Non U.S (e)	118	34	—	152
Fixed income securities (f)	26	194	—	220
Other types of investments				
Hedge Funds and Similar Investments (g)	57	17	89	163
Private Equity and Other (h)	—	—	50	50
Total	\$ 439	268	\$ 139	\$ 846

Fair Value Measurements at December 31, 2010(a)

(in Millions)	Level 1	Level 2	Level 3	Balance at December 31, 2010
Asset Category:				
Short-term investments (b)	\$ —	\$ 11	\$ —	\$ 11
Equity securities				
U.S. Large Cap (c)	213	12	—	225
U.S. Small/Mid Cap (d)	57	2	—	59
Non U.S (e)	89	70	—	159
Fixed income securities (f)	19	189	—	208
Other types of investments				
Hedge Funds and Similar Investments (g)	59	23	95	177
Private Equity and Other (h)	—	—	55	55
Total	\$ 437	\$ 307	\$ 150	\$ 894

(a) See Note 3 — Fair Value for a description of levels within the fair value hierarchy.

- (b) This category predominantly represents certain short-term fixed income securities and money market investments that are managed in separate accounts or commingled funds. Pricing for investments in this category are obtained from quoted prices in actively traded markets or valuations from brokers or pricing services.
- (c) This category comprises both actively and not actively managed portfolios that track the S&P 500 low cost equity index funds. Investments in this category are exchange-traded securities whereby unadjusted quote prices can be obtained. Exchange-traded securities held in a commingled fund are classified as Level 2 assets.
- (d) This category represents portfolios of small and medium capitalization domestic equities. Investments in this category are exchange-traded securities whereby unadjusted quote prices can be obtained. Exchange-traded securities held in a commingled fund are classified as Level 2 assets.
- (e) This category primarily consists of portfolios of non-U.S. developed and emerging market equities. Investments in this category are exchange-traded securities whereby unadjusted quote prices can be obtained. Exchange-traded securities held in a commingled fund are classified as Level 2 assets.
- (f) This category includes corporate bonds from diversified industries, U.S. Treasuries, and mortgage backed securities. Pricing for investments in this category is obtained from quoted prices in actively traded markets and quotations from broker or

pricing services. Non-exchange traded securities and exchange-traded securities held in commingled funds are classified as Level 2 assets.

- (g) This category utilizes a diversified group of strategies that attempt to capture financial market inefficiencies and includes publicly traded debt and equity, publicly traded mutual funds, commingled and limited partnership funds and non-exchange traded securities. Pricing for Level 1 and Level 2 assets in this category is obtained from quoted prices in actively traded markets and quoted prices from broker or pricing services. Non-exchange traded securities held in commingled funds are classified as Level 2 assets. Valuations for some Level 3 assets in this category may be based on limited observable inputs as there may be little, if any, publicly available pricing.
- (h) This category includes a diversified group of funds and strategies that primarily invests in private equity partnerships. This category also includes investments in timber and private mezzanine debt. Pricing for investments in this category is based on limited observable inputs as there is little, if any, publicly available pricing. Valuations for assets in this category may be based on discounted cash flow analyses, relative publicly-traded comparables and comparable transactions.

The pension trust holds debt and equity securities directly and indirectly through commingled funds and institutional mutual funds. Exchange-traded debt and equity securities held directly are valued using quoted market prices in actively traded markets. The commingled funds and institutional mutual funds which hold exchange-traded equity or debt securities are valued based on underlying securities, using quoted prices in actively traded markets. Non-exchange traded fixed income securities are valued by the trustee based upon quotations available from brokers or pricing services. A primary price source is identified by asset type, class or issue for each security. The trustees monitor prices supplied by pricing services and may use a supplemental price source or change the primary price source of a given security if the trustees challenge an assigned price and determine that another price source is considered to be preferable. The Company has obtained an understanding of how these prices are derived, including the nature and observability of the inputs used in deriving such prices. Additionally, the Company selectively corroborates the fair values of securities by comparison of market-based price sources.

Fair Value Measurements Using Significant Unobservable Inputs (Level 3):

(in Millions)	Hedge Funds and Similar Investments	Private Equity and Other	Total
Beginning Balance at January 1, 2011	\$ 95	\$ 55	\$ 150
Total realized/unrealized gains (losses):			
Realized gains (losses)	(1)	1	—
Unrealized gains (losses)	1	(9)	(8)
Purchases, sales and settlements:			
Purchases	19	7	26
Sales	(25)	(4)	(29)
Ending Balance at December 31, 2011	\$ 89	\$ 50	\$ 139

The amount of total gains (losses) for the period attributable the change in unrealized gains or losses related to assets still held at the end of the period

\$ 1	\$ (8)	\$ (7)
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(in Millions)	Hedge Funds and Similar Investments	Private Equity and Other	Total
Beginning Balance at January 1, 2010	\$ 160	\$ 53	\$ 213
Total realized/unrealized gains (losses)	16	7	23
Purchases, sales and settlements	(81)	(5)	(86)
Ending Balance at December 31, 2010	\$ 95	\$ 55	\$ 150

The amount of total gains for the period attributable the change in unrealized gains or losses related to assets still held at the end of the period

\$ 9	\$ 5	\$ 14
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The Company also participates in defined contribution retirement savings plans for DTE Energy and its affiliates. Participation in one of these plans is available to substantially all represented and non-represented employees. The Company matches employee contributions up to certain predefined limits based upon eligible compensation, the employee's contribution rate and, in some cases, years of credited service. The cost of these plans was \$4 million in each of the years 2011, 2010, and 2009.

Other Postretirement Benefits

The Company participates in plans sponsored by LLC that provide certain postretirement health care and life insurance benefits for employees who are eligible for these benefits. The Company's policy is to fund certain trusts to meet our postretirement benefit obligations. Separate qualified Voluntary Employees Beneficiary Association (VEBA) trusts exist for represented and non-represented employees. The Company contributed \$45 million to the VEBA trusts during 2011. The Company contributed \$45 million to the VEBA trusts in January 2012. Net postretirement cost includes the following components:

(in Millions)	2011	2010	2009
Service cost	\$ 15	\$ 14	\$ 13
Interest cost	27	28	30
Expected return on plan assets	(31)	(23)	(18)
Amortization of			
Net loss	11	9	7
Prior service cost (credit)	(2)	1	1
Net transition obligation	1	3	3
Net postretirement cost	<u>\$ 21</u>	<u>\$ 32</u>	<u>\$ 36</u>

(in Millions)	2011	2010
Other changes in plan assets and APBO recognized in Regulatory assets		
Net actuarial loss	\$ 55	\$ 31
Amortization of net actuarial loss	(11)	(9)
Prior service credit	(1)	(16)
Amortization of prior service cost (credit)	2	(1)
Amortization of transition obligation	(1)	(3)
Total recognized in regulatory assets	<u>\$ 44</u>	<u>\$ 2</u>
Total recognized in net postretirement cost and Regulatory assets	<u>\$ 65</u>	<u>\$ 34</u>

Estimated amounts to be amortized from Regulatory assets into net periodic benefit cost during next fiscal year

Net actuarial loss	\$ 14	\$ 13
Prior service credit	(2)	(2)
Net transition obligation	1	1
	<u>\$ 13</u>	<u>\$ 12</u>

The following table reconciles the obligations, assets and funded status of the Company's portion of the plans including amounts recorded as accrued postretirement cost in the Consolidated Statements of Financial Position at December 31:

(in Millions)	2011	2010
Change in accumulated postretirement benefit obligation		
Accumulated postretirement benefit obligation, beginning of year	\$ 528	\$ 488
Service cost	15	14
Interest cost	27	28
Plan amendments	(1)	(16)
Actuarial loss	19	39
Medicare Part D subsidy	2	2
Benefits paid	(26)	(27)
Accumulated postretirement benefit obligation, end of year	<u>\$ 564</u>	<u>\$ 528</u>

(in Millions)	2011	2010
Change in plan assets		
Plan assets at fair value, beginning of year	\$ 346	\$ 270
Company contributions	45	70
Actual return on plan assets	(6)	32
Benefits paid	(53)	(26)
Plan assets at fair value, end of year	<u>\$ 332</u>	<u>\$ 346</u>
Funded status at fair value, December 31	<u>\$ (232)</u>	<u>\$ (182)</u>
Noncurrent liabilities	<u>\$ (232)</u>	<u>\$ (182)</u>

Amounts recognized in Regulatory assets

Net loss	\$ 202	\$ 158
Prior service credit	(7)	(8)
Net transition obligation	1	2
Regulatory Asset — postretirement costs	<u>\$ 196</u>	<u>\$ 152</u>

Assumptions used in determining the projected benefit obligation and net benefit cost are listed below:

	2011	2010	2009
Projected benefit obligation			
Discount rate	5.00%	5.50%	5.90%
Net benefit costs			
Discount rate	5.50%	5.90%	6.90%
Expected long-term rate of return on plan assets	8.75%	8.75%	8.75%
Health care trend rate pre- and post-65	7.00%	7.00%	7.00%
Ultimate health care trend rate	5.00%	5.00%	5.00%
Year in which ultimate reached	2019	2016	2016

A one percentage point increase in health care cost trend rates would have increased the total service cost and interest cost components of benefit costs by \$7 million and increased the accumulated benefit obligation by \$55 million at December 31, 2011. A one percentage point decrease in the health care cost trend rates would have decreased the total service cost and interest cost components of benefit costs by \$6 million and would have decreased the accumulated benefit obligation by \$85 million at December 31, 2011.

At December 31, 2011, the benefits expected to be paid, including prescription drug benefits, in each of the next five years and in the aggregate for the five fiscal years thereafter are as follows:

(in Millions)

2012	\$ 26
2013	27
2014	28
2015	30
2016	33
2017 - 2021	191
Total	\$ 335

The process used in determining the long-term rate of return for assets and the investment approach for our other postretirement benefits plans is similar to those previously described for our pension plans.

Target allocations for plan assets as of December 31, 2011 are listed below:

U.S. Equity Securities	22%
Non U.S. Equity Securities	20%
Fixed Income Securities	25%
Hedge Funds and Similar Investments	20%
Private Equity and Other	13%
	100%

Fair Value Measurements at December 31, 2011(a)

(in Millions)

	Level 1	Level 2	Level 3	Balance at December 31, 2011
Asset Category:				
Short-term investments (b)	\$ —	\$ 4	\$ —	\$ 4
Equity securities				
U.S. Large Cap (c)	59	5	—	64
U.S. Small/Mid Cap (d)	24	2	—	26
Non U.S (e)	59	5	—	64
Fixed income securities (f)	8	80	—	88
Other types of investments				
Hedge Funds and Similar Investments (g)	27	7	32	66
Private Equity and Other (h)	—	—	20	20
Total	\$ 177	\$ 103	\$ 52	\$ 332

Fair Value Measurements at December 31, 2010(a)

(in Millions)	Level 1	Level 2	Level 3	Balance at December 31, 2010
Asset Category:				
Short-term investments (b)	\$ —	\$ 3	\$ —	\$ 3
Equity securities				
U.S. Large Cap (c)	42	21	—	63
U.S. Small/Mid Cap (d)	20	19	—	39
Non U.S (e)	27	41	—	68
Fixed income securities (f)	1	85	—	86
Other types of investments				
Hedge Funds and Similar Investments (g)	26	16	30	72
Private Equity and Other (h)	—	—	15	15
Total	\$ 116	\$ 185	\$ 45	\$ 346

(a) See Note 3 — Fair Value for a description of levels within the fair value hierarchy.

- (b) This category predominantly represents certain short-term fixed income securities and money market investments that are managed in separate accounts or commingled funds. Pricing for investments in this category are obtained from quoted prices in actively traded markets or valuations from brokers or pricing services.
- (c) This category comprises both actively and not actively managed portfolios that track the S&P 500 low cost equity index funds. Investments in this category are exchange-traded securities whereby unadjusted quote prices can be obtained. Exchange-traded securities held in a commingled fund are classified as Level 2 assets.
- (d) This category represents portfolios of small and medium capitalization domestic equities. Investments in this category are exchange-traded securities whereby unadjusted quote prices can be obtained. Exchange-traded securities held in a commingled fund are classified as Level 2 assets.
- (e) This category primarily consists of portfolios of non-U.S. developed and emerging market equities. Investments in this category are exchange-traded securities whereby unadjusted quote prices can be obtained. Exchange-traded securities held in a commingled fund are classified as Level 2 assets.
- (f) This category includes corporate bonds from diversified industries, U.S. Treasuries, and mortgage backed securities. Pricing for investments in this category is obtained from quoted prices in actively traded markets and quotations from broker or pricing services. Non-exchange traded securities and exchange-traded securities held in commingled funds are classified as Level 2 assets.
- (g) This category utilizes a diversified group of strategies that attempt to capture financial market inefficiencies and includes publicly traded debt and equity, publicly traded mutual funds, commingled and limited partnership funds and non-exchange traded securities. Pricing for Level 1 and Level 2 assets in this category is obtained from quoted prices in actively traded markets and quoted prices from broker or pricing services. Non-exchanged traded securities held in commingled funds are classified as Level 2 assets. Valuations for some Level 3 assets in this category may be based on limited observable inputs as there may be little, if any, publicly available pricing.
- (h) This category includes a diversified group of funds and strategies that primarily invests in private equity partnerships. This category also includes investments in timber and private mezzanine debt. Pricing for investments in this category is based on limited observable inputs as there is little, if any, publicly available pricing. Valuations for assets in this category may be based on discounted cash flow analyses, relative publicly-traded comparables and comparable transactions.

The VEBA trusts hold debt and equity securities directly and indirectly through commingled funds and institutional mutual funds. Exchange-traded debt and equity securities held directly are valued using quoted market prices in actively traded markets. The commingled funds and institutional mutual funds which hold exchange-traded equity or debt securities are valued based on underlying securities, using quoted prices in actively traded markets. Non-exchange traded fixed income securities are valued by the trustee based upon quotations available from brokers or pricing services. A primary price source is identified by asset type, class or issue for each security. The trustees monitor prices supplied by pricing services and may use a supplemental price source or change the primary price source of a given security if the trustees challenge an assigned price and determine that another price source is considered to be preferable. The Company has obtained an understanding of how these prices are derived, including the nature and observability of the inputs used in deriving such prices. Additionally, the Company selectively corroborates the fair values of securities by comparison of market-based price sources.

Fair Value Measurements Using Significant Unobservable Inputs (Level 3):

(in Millions)	Hedge Funds and Similar Investments	Private Equity and Other	Total
Beginning Balance at January 1, 2011	\$ 27	\$ 18	\$ 45
Total realized/unrealized gains (losses):			
Realized gains (losses)	(1)	1	—
Unrealized gains (losses)	1	(7)	(6)
Purchases, sales and settlements:			
Purchases	23	16	39
Sales	(18)	(8)	(26)
Ending Balance at December 31, 2011	\$ 32	\$ 20	\$ 52
The amount of total gains (losses) for the period attributable the change in unrealized gains or losses related to assets still held at the end of the period	\$ 2	\$ (6)	\$ (4)

Fair Value Measurements Using Significant Unobservable Inputs (Level 3):

(in Millions)	Hedge Funds and Similar Investments	Private Equity and Other	Total
Beginning Balance at January 1, 2010	\$ 29	\$ 14	\$ 43
Total realized/unrealized gains (losses)	3	3	6
Purchases, sales and settlements	(5)	1	(4)
Ending Balance at December 31, 2010	\$ 27	\$ 18	\$ 45
The amount of total gains (losses) for the period attributable the change in unrealized gains or losses related to assets still held at the end of the period	\$ 2	\$ 2	\$ 4

Healthcare Legislation

In March 2010, the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act were enacted into law (collectively, the "Act"). The Act is a comprehensive health care reform bill. A provision of the Act repeals the current rule permitting deduction of the portion of the drug coverage expense that is offset by the Medicare Part D subsidy, effective for taxable years beginning after December 31, 2012.

MichCon's retiree healthcare plan includes the provision of postretirement prescription drug coverage ("coverage") which is included in the calculation of the recorded other postemployment benefit (OPEB) obligation. Because the Company's coverage meets certain criteria, MichCon is eligible to receive the Medicare Part D subsidy. With the enactment of the Act, the subsidy will continue to not be subject to tax, but an equal amount of prescription drug coverage expenditures will not be deductible. Income tax accounting rules require the impact of a change in tax law be recognized in continuing operations in the

Consolidated Statements of Operations in the period that the tax law change is enacted.

This change in tax law required a remeasurement of the Deferred Tax Asset related to the OPEB obligation and the Deferred Tax Liability related to the OPEB Regulatory Asset in 2010. The net impact of the remeasurement was \$3 million and has been deferred as a Regulatory Asset as the traditional rate setting process allows for the recovery of income tax costs.

In December 2003, the Medicare Act was signed into law which provides for a non-taxable federal subsidy to sponsors of retiree health care benefit plans that provide a benefit that is at least “actuarially equivalent” to the benefit established by law. The effects of the subsidy reduced net periodic postretirement benefit costs by \$1 million in 2011, \$2 million in 2010, and \$4 million in 2009. At December 31, 2011, the gross amount of federal subsidies expected to be received in 2012 is estimated to be \$1 million.

Grantor Trust

MichCon maintains a Grantor Trust to fund other postretirement benefit obligations that invests in life insurance contracts and income securities. Employees and retirees have no right, title or interest in the assets of the Grantor Trust, and the Company can revoke the trust subject to providing the MPSC with prior notification. MichCon accounts for its investment at fair value, approximately \$13 million at December 31, 2011, with unrealized gains and losses recorded to earnings.

NOTE 15 — RELATED PARTY TRANSACTIONS

The Company has agreements with affiliated companies to provide storage and transportation services and for the purchase of natural gas. The Company also has an agreement with a DTE Energy affiliate where it is charged for its use of their shared capital assets. A shared services company accumulates various corporate support services expenses and charges various subsidiaries of DTE Energy, including MichCon. MichCon participates in a defined benefit retirement plan sponsored by another affiliate of DTE Energy.

The following is a summary of transactions with affiliated companies:

(in Millions)	2011	2010	2009
Revenues			
Storage and transportation services	\$ 2	\$ 2	\$ 2
Other services	3	3	5
Costs			
Gas purchases	3	2	3
Other services and interest	17	20	20
Customer service and administrative and general expenses	118	118	123
Other			
Dividends declared	80	70	50
Dividends paid	80	70	50
Transfer of subsidiaries to an affiliate	12	—	—
Capital contribution	—	25	—

(in Millions)	December 31	
	2011	2010
Assets		
Accounts and notes receivable (1)	\$ 49	\$ 53
Prepaid pension assets	112	178
Liabilities & Equity		
Accounts payable (1)	29	24
Short-term borrowings	3	137
Other liabilities		
Accrued pension liability	136	50
Accrued postretirement liability	232	182

-
- (1) Our accounts and notes receivable from affiliated companies and accounts payable to affiliated companies are payable upon demand and are generally settled in cash within a monthly business cycle.

SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION			
Line No.	Item (a)	Total (b)	Electric (c)
1	UTILITY PLANT		
2	In Service		
3	Plant in Service (Classified)	3,708,149,234	
4	Property Under Capital Leases	-	
5	Plant Purchased or Sold	-	
6	Completed Construction not Classified	-	
7	Experimental Plant Unclassified	-	
8	TOTAL (Enter Total of lines 3 thru 7)	3,708,149,234	
9	Leased to Others	-	
10	Held for Future Use	-	
11	Construction Work in Progress	67,514,330	
12	Acquisition Adjustments	-	
13	TOTAL Utility Plant (Enter Total of lines 8 - 12)	3,775,663,564	
14	(Less) Accum. Prov. for Depr., Amort., & Depl.	1,884,486,019	
15	Net Utility Plant(Enter Total of line 13 less 14)	1,891,177,545	
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION		
17	In Service:		
18	Depreciation	1,884,486,019	
19	Amort. and Depl. of Producing Natural Gas Land and Land Rights		
20	Amort. of Underground Storage Land and Land Rights		
21	Amort. of Other Utility Plant		
22	TOTAL In Service (Enter Total lines 18 - 21)	1,884,486,019	
23	Leased to Others		
24	Depreciation		
25	Amortization and Depletion		
26	TOTAL Leased to Others (Enter Total lines 24 & 25)		
27	Held for Future Use		
28	Depreciation	-	
29	Amortization		
30	TOTAL Held for Future Use(Enter Total lines 28 & 29)	-	
31	Abandonment of Leases (Natural Gas)		
32	Amort. of Plant Acquisition Adj.		
33	TOTAL Accum. Prov. (Should agree with line 14 above) (Enter Total lines 22, 26, 30, 31 & 32)	1,884,486,019	

SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS

FOR DEPRECIATION, AMORTIZATION AND DEPLETION (Continued)

Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
3,708,149,234					3
-					4
-					5
-					6
-					7
3,708,149,234					8
-					9
-					10
67,514,330					11
-					12
3,775,663,564					13
1,884,486,019					14
1,891,177,545					15
					16
					17
1,884,486,019					18
					19
					20
					21
1,884,486,019					22
					23
					24
					25
					26
					27
-					28
					29
-					30
					31
					32
1,884,486,019					33

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011	
GAS PLANT IN SERVICE (Accounts 101, 102, 103 and 106)					
1. Report below the original cost of gas plant in service according to the prescribed account. 2. In addition to Account 101, Gas Plant in Service (Classified), this page and the next include Account 102, Gas Plant Purchased or Sold; Account 103, Experimental Gas Plant Unclassified; and Account 106, Completed Construction Not Classified - Gas. 3. Include in column (c) or (d) as appropriate, corrections of additions and retirements for the current or preceding year. 4. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such amounts. 5. Classify Account 106, according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provisions. Include also in column (d) reversals of tentative distributions of prior year unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns					
Line No.	Acct. No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	
1		1. Intangible Plant			
2	301	Organization	8,235	-	
3	302	Franchises and Consents	2,419	-	
4	303	Miscellaneous Intangible Plant	95,844,522	2,407,976	
5		TOTAL Intangible Plant	95,855,176	2,407,976	
6		2. Production Plant			
7		Manufactured Gas Production Plant			
8	304	Land	-	-	
9	304a	Land Rights	-	-	
10	305	Structures and Improvements	-	-	
11	306	Boiler Plant Equipment	-	-	
12	307	Other Power Equipment	-	-	
13	308	Coke Ovens	-	-	
14	309	Producer Gas Equipment	-	-	
15	310	Water Gas Generating Equipment	-	-	
16	311	Liquefied Petroleum Gas Equipment	-	-	
17	312	Oil Gas Generating Equipment	-	-	
18	313	Generating Equipment - Other Processes	-	-	
19	314	Coal, Coke and Ash Handling Equipment	-	-	
20	315	Catalytic Cracking Equipment	-	-	
21	316	Other Reforming Equipment	-	-	
22	317	Purification Equipment	-	-	
23	318	Residual Refining Equipment	-	-	
24	319	Gas Mixing Equipment	-	-	
25	320	Other Equipment	-	-	
26		TOTAL Manufactured Gas Production Plant	-	-	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011	
GAS PLANT IN SERVICE (Accounts 101, 102, 103 and 106) (Continued)					
<p>(c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.</p> <p>6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits and credits distributed in column (f) to primary account classifications.</p> <p>7. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.</p> <p>8. For each amount comprising the reported balance and changes in Account 102, state the property purchases or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date of such filing.</p>					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct. No.	Line No.
					1
-	-	-	8,235	301	2
-	-	-	2,419	302	3
(2,860,958)	-	-	95,391,540	303	4
(2,860,958)	-	-	95,402,194		5
					6
					7
-	-	-	-	304	8
-	-	-	-	304a	9
-	-	-	-	305	10
-	-	-	-	306	11
-	-	-	-	307	12
-	-	-	-	308	13
-	-	-	-	309	14
-	-	-	-	310	15
-	-	-	-	311	16
-	-	-	-	312	17
-	-	-	-	313	18
-	-	-	-	314	19
-	-	-	-	315	20
-	-	-	-	316	21
-	-	-	-	317	22
-	-	-	-	318	23
-	-	-	-	319	24
-	-	-	-	320	25
-	-	-	-		26

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL	December 31, 2011
GAS PLANT IN SERVICE (Accounts 101, 102, 103 and 106) (Continued)				
Line No.	Acct. No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
27		Natural Gas Production and Gathering Plant		
28	325.1	Producing Lands	3,838	-
29	325.2	Producing Leaseholds	1,518	-
30	325.3	Gas Rights	-	-
31	325.4	Rights-of-Way	75,582	-
32	325.5	Other Land	3,000	-
33	325.6	Other Land Rights	431,783	-
34	326	Gas Well Structures	-	-
35	327	Field Compressor Station Structures	30,051	-
36	328	Field Meas. and Reg. Sta. Structures	561,433	129,804
37	329	Other Structures	-	-
38	330	Producing Gas Wells - Well Construction	-	-
39	331	Producing Gas Wells - Well Equipment	121,148	-
40	332	Field Lines	8,183,618	-
41	333	Field Compressor Station Equipment	321,002	16,842
42	334	Field Meas. and Reg. Sta. Equipment	2,366,397	125,308
43	335	Drilling and Cleaning Equipment	-	-
44	336	Purification Equipment	35,414	-
45	337	Other Equipment	-	-
46	338	Unsuccessful Exploration & Devel. Costs	1,163,272	-
47		TOTAL Production and Gathering Plant	13,298,056	271,954
48		Products Extraction Plant		
49	340	Land	-	-
50	340a	Land Rights	-	-
51	341	Structures and Improvements	-	-
52	342	Extraction and Refining Equipment	-	-
53	343	Pipe Lines	-	-
54	344	Extracted Products Storage Equipment	-	-
55	345	Compressor Equipment	-	-
56	346	Gas Meas. and Reg. Equipment	-	-
57	347	Other Equipment	-	-
58		TOTAL Products Extraction Plant	-	-
59		TOTAL Natural Gas Production Plant	13,298,056	271,954
60		SNG Production Plant (Submit Supplemental St	-	-
61		TOTAL Production Plant	13,298,056	271,954
62		3. Natural Gas Storage and Processing Plant		
63		Underground Storage Plant		
64	350.1	Land	8,379,036	-

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2011	
GAS PLANT IN SERVICE (Accounts 101, 102, 103 and 106) (Continued)						
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct. No.	Line No.	
					27	
-	-	-	3,838	325.1	28	
-	-	-	1,518	325.2	29	
-	-	-	-	325.3	30	
-	-	-	75,582	325.4	31	
-	-	-	3,000	325.5	32	
-	-	-	431,783	325.6	33	
-	-	-	-	326	34	
-	-	-	30,051	327	35	
-	-	-	691,237	328	36	
-	-	-	-	329	37	
-	-	226,872	226,872	330	38	
-	-	-	121,148	331	39	
-	-	-	8,183,618	332	40	
(5,560)	-	-	332,284	333	41	
-	-	-	2,491,705	334	42	
-	-	-	-	335	43	
-	-	-	35,414	336	44	
-	-	-	-	337	45	
-	-	-	1,163,272	338	46	
(5,560)	-	226,872	13,791,322		47	
					48	
-	-	-	-	340	49	
-	-	-	-	340a	50	
-	-	-	-	341	51	
-	-	-	-	342	52	
-	-	-	-	343	53	
-	-	-	-	344	54	
-	-	-	-	345	55	
-	-	-	-	346	56	
-	-	-	-	347	57	
-	-	-	-	348	58	
(5,560)	-	226,872	13,791,322		59	
-	-	-	-		60	
(5,560)	-	226,872	13,791,322		61	
					62	
					63	
-	-	-	8,379,036	350.1	64	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011
GAS PLANT IN SERVICE (Accounts 101, 102, 103 and 106) (Continued)				
Line No.	Acct. No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
65	350.2	Rights-of-Way	452,687	491,990
66	351	Structures and Improvements	19,037,298	550,451
67	352	Wells	90,147,705	1,312,345
68	352.1	Storage Leaseholds and Rights	1,127,815	-
69	352.2	Reservoirs	-	-
70	352.3	Non-Recoverable Natural Gas	(356,592)	-
71	353	Lines	36,877,498	175,524
72	354	Compress Station Equipment	166,567,339	8,511,096
73	355	Measuring and Reg. Equipment	12,896,359	787,305
74	356	Purification Equipment	21,479,654	45,810
75	357	Other Equipment	-	-
76	358	Gas in Underground Storage - Noncurrent	558,902	-
77		TOTAL Underground Storage Plant	357,167,701	11,874,521
78		Other Storage Plant		
79	360	Land	-	-
80	360a	Land Rights	-	-
81	361	Structures and Improvements	-	-
82	362	Gas Holders	-	-
83	363	Purification Equipment	-	-
84	363.1	Liquefaction Equipment	-	-
85	363.2	Vaporizing Equipment	-	-
86	363.3	Compressor Equipment	-	-
87	363.4	Meas. and Reg. Equipment	-	-
88	363.5	Other Equipment	-	-
89		TOTAL Other Storage Plant	-	-
90		Base Load Liquefied Natural Gas Terminating and Processing Plant		
91	364.1	Land	-	-
92	364.1a	Land Rights	-	-
93	364.2	Structures and Improvements	-	-
94	364.3	LNG Processing Terminal Equipment	-	-
95	364.4	LNG Transportation Equipment	-	-
96	364.5	Measuring and Regulating Equipment	-	-
97	364.6	Compressor Station Equipment	-	-
98	364.7	Communications Equipment	-	-
99	364.8	Other Equipment	-	-
100		TOTAL Base Load LNG Terminating and Processing Plant	-	-
101				
102		TOTAL Nat. Gas Storage and Proc. Plant	357,167,701	11,874,521

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2011	
GAS PLANT IN SERVICE (Accounts 101, 102, 103 and 106) (Continued)						
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct. No.	Line No.	
-		-	944,677	350.2	65	
(2,759)	-		19,584,990	351	66	
-	-	-	91,460,050	352	67	
-	-	-	1,127,815	352.1	68	
-	-	-	-	352.2	69	
-	-	-	(356,592)	352.3	70	
-	-	-	37,053,022	353	71	
(95,990)	-	6,959	174,989,404	354	72	
(150)	-	555,685	14,239,199	355	73	
-	-	-	21,525,464	356	74	
-	-	-	-	357	75	
-	(92,742)	-	466,160	358	76	
(98,899)	(92,742)	562,644	369,413,225		77	
					78	
-	-	-	-	360	79	
-	-	-	-	360a	80	
-	-	-	-	361	81	
-	-	-	-	362	82	
-	-	-	-	363	83	
-	-	-	-	363.1	84	
-	-	-	-	363.2	85	
-	-	-	-	363.3	86	
-	-	-	-	363.4	87	
-	-	-	-	363.5	88	
-	-	-	-		89	
					90	
-	-	-	-	364.1	91	
-	-	-	-		92	
-	-	-	-	364.2	93	
-	-	-	-	364.3	94	
-	-	-	-	364.4	95	
-	-	-	-	364.5	96	
-	-	-	-	364.6	97	
-	-	-	-	364.7	98	
-	-	-	-	364.8	99	
-	-	-	-		100	
					101	
(98,899)	(92,742)	562,644	369,413,225		102	

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL	December 31, 2011
GAS PLANT IN SERVICE (Accounts 101, 102, 103 and 106) (Continued)				
Line No.	Acct. No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
103		4. Transmission Plant		
104	365.1	Land	1,148,927	-
105	365.1a	Land Rights	2,296,194	
106	365.2	Rights-of-way	16,549,588	-
107	366	Structures and Improvements	-	-
108	366.1	Compressor Station Structures	9,946,210	208,505
109	366.2	Measuring and Reg. Station Structures	6,356,150	104,467
110	366.3	Other Structures	519,386	-
111	367	Mains	345,758,437	6,154,931
112	368	Compressor Station Equipment	77,902,904	1,267,603
113	369	Measuring and Reg. Station Equipment	49,420,155	1,912,476
114	370	Communication Equipment	-	-
115	371	Other Equipment	-	-
116	372	Asset Retire Cost Transmission	290,854	-
117		TOTAL Transmission Plant	510,188,805	9,647,982
118		5. Distribution Plant		
119	374	Land	2,292,397	371,616
120	374a	Land Rights	922,815	-
121	375	Structures and Improvements	12,718,036	1,051,002
122	376	Mains	1,071,980,887	45,726,432
123	377	Compressor Station Equipment	-	-
124	378	Meas. & Reg. Station Equip.-General	120,818,826	10,979,565
125	379	Meas. & Reg. Station Equip.-City Gate	52,059,444	3,165,228
126	380	Services	743,475,489	48,351,653
127	381	Meters	157,427,671	11,993,792
128	382	Meter Installations	157,912,275	19,100,367
129	383	House Regulators	-	-
130	384	House Reg. Installations	-	-
131	385	Industrial Meas. & Reg. Station Equip.	68,414,789	-
132	386	Other Prop. on Customer's Premises	-	-
133	387	Other Equipment	-	-
134	388	Asset Retire Cost Distribution	11,831,401	-
135		TOTAL Distribution Plant	2,399,854,030	140,739,655
136		6. General Plant		
137	389	Land	1,559,465	-
138	389a	Land Rights	-	-
139	390	Structures and Improvements	60,366,460	1,343,402
140	391	Office Furniture and Equipment	11,772,567	268,628
141	392	Transportation Equipment	54,370,152	10,287,532
142	393	Stores Equipment	598,556	1,343
143	394	Tools, Shop & Gargage Equipment	23,193,067	672,903
144	395	Laboratory Equipment	1,030,014	

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL	December 31, 2011	
GAS PLANT IN SERVICE (Accounts 101, 102, 103 and 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct. No.	Line No.
					103
-	-	-	1,148,927	365.1	104
-	-	-	2,296,194	365.1a	105
-	-	-	16,549,588	365.2	106
-	-	-	-	366	107
(11,238)	-	-	10,143,477	366.1	108
(84,214)	-	-	6,376,403	366.2	109
-	-	-	519,386	366.3	110
(1,871)	221,303	-	352,132,800	367	111
(450,514)	-	155,290	78,875,283	368	112
180,873	-	-	51,513,504	369	113
-	-	-	-	370	114
-	-	-	-	371	115
-	97,813	-	388,667	372	116
(366,964)	319,116	155,290	519,944,229		117
					118
-	-	-	2,664,013	374	119
-	-	-	922,815	374a	120
(90,749)	-	-	13,678,289	375	121
(1,705,000)	-	801,303	1,116,803,622	376	122
-	-	-	-	377	123
(223,364)		(555,685)	131,019,342	378	124
(63,015)	-	(6,959)	55,154,698	379	125
(6,409,562)	1,435,584	(801,303)	786,051,861	380	126
(2,257,323)	-	-	167,164,140	381	127
(1,796,664)	-	-	175,215,978	382	128
-	-	-	-	383	129
-	-	-	-	384	130
-	-	-	68,414,789	385	131
-	-	-	-	386	132
-	-	-	-	387	133
-	(2,858,640)	-	8,972,761	388	134
(12,545,677)	(1,423,056)	(562,644)	2,526,062,308		135
					136
-		-	1,559,465	389	137
-	-	-	-	389a	138
(260,153)	-	-	61,449,709	390	139
(253,800)	-	-	11,787,395	391	140
(3,829,649)	-	-	60,828,035	392	141
-	-	-	599,899	393	142
(262,722)	-	-	23,603,248	394	143
(82,406)	-	-	947,608	395	144

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL	December 31, 2011
GAS PLANT IN SERVICE (Accounts 101, 102, 103 and 106) (Continued)				
Line No.	Acct. No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
145	396	Power Operated Equipment	13,662,223	1,596,496
146	397	Communication Equipment	7,038,541	473,228
147	398	Miscellaneous Equipment	3,938,763	-
148		Subtotal (Lines 132 thru 143)	177,529,808	14,643,532
149	399	Other Tangible Property	-	-
150		TOTAL General Plant	177,529,808	14,643,532
151		TOTAL (Account 101 and 106)	3,553,893,576	179,585,620
152	101.1	Property Under Capital Leases	-	-
153	102	Gas Plant Purchased (See Instr. 8)	-	-
154	(Less)	Gas Plant Sold (See Instr. 8)	-	-
	102			
155	103	Experimental Gas Plant Unclassified	-	-
156		TOTAL Gas Plant in Service	3,553,893,576	179,585,620
<p>NOTE: Respondent does not have Manufactured Gas Production Plant facilities.</p>				

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2011	
GAS PLANT IN SERVICE (Accounts 101, 102, 103 and 106) (Continued)						
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct. No.	Line No.	
(1,011,643)	-	-	14,247,076	396	145	
(1,342,416)	-	-	6,169,353	397	146	
(1,594,595)	-	-	2,344,168	398	147	
(8,637,384)	-	-	183,535,956		148	
-	-	-	-	399	149	
(8,637,384)	-	-	183,535,956		150	
(24,515,442)	(1,196,682)	382,162	3,708,149,234		151	
-	-	-	-	101.1	152	
-	-	-	-	102	153	
-	-	-	-	(102)	154	
-	-	-	-	103	155	
(24,515,442)	(1,196,682)	382,162	3,708,149,234		156	

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL DECEMBER 31, 2011				
GAS PLANT HELD FOR FUTURE USE (Account 105)				
1. Report separately each property held for future use at end of the year having an original cost of \$250,000 or more. Group other items of property held for future use. 2. For property having an original cost of \$250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.				
Line No.	Description and Location of Property (a)	Date Originally Included in This Account (b)	Date Expected to be Used in Utility Service (c)	Balance at End of Year (d)
1	Natural Gas Lands, Leaseholds, and Gas Rights Held for Future Utility Use (Per Pages 500-501)			
2				
3				
4				
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44				
45	TOTAL			\$0

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011	
PRODUCTION PROPERTIES HELD FOR FUTURE USE (Account 105.1)					
<p>1. Report separately each property held for future use at end of the year having an original cost of \$1,000,000 or more. Group other items of property held for future use.</p> <p>2. For property having an original cost of \$1,000,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.1.</p>					
Line No.	Description and Location of Property (a)	Date Originally Included in This Account (b)	Date Expected to be Used in Utility Service (c)	Balance at End of Year (d)	
1	Natural Gas Lands, Leaseholds, and Gas Rights Held for Future Utility Use (Per Pages 500-501)				
2					
3					
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43					
44					
45					
46	TOTAL			\$0	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2011
CONSTRUCTION WORK IN PROGRESS - GAS (Account 107)			
1. Report below descriptions and balances at end of year of projects in process of construction (107). 2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstration (see Account 107 of the Uniform System of Accounts). 3. Minor projects (less than \$500,000) may be grouped.			
Line No.	Description of Project (a)	Construction Work in Progress-Gas (Account 107) (b)	Estimated Additional Cost of Project (c)
1	The following automatic and blanket work orders are used for routine construction and are closed to		
2	plant monthly.		
3			
4	DISTRIBUTION PLANT (59 Items)	2,804,094	
5	Cathodic Protection	1,569,814	
6	Main Renewals	3,489,903	
7	Public Improvements	6,705,203	
8	System Reliability	4,423,420	
9	Service Renewals	7,298,239	
10	New Market	3,906,043	
11	Service Alterations	1,482,625	
12			
13			
14			
15	GENERAL PLANT		
16	Vehicles- Various	952,603	
17			
18			
19			
20			
21	INTANGIBLE PLANT: (7 Items)	2,094,813	
22	IT support- Detroit	2,048,582	
23	Pipeline Design - Software	611,451	
24			
25			
26			
27	UNDERGROUND STORAGE (36 Items)	3,695,664	
28	Compressor Station	860,447	
29	Pipeline Integrity	996,890	
30			
31			
32			
33			
34			
35			
36			
37			
38	TRANSMISSION PLANT (22 Items)	2,205,848	
39	Pipeline Integrity	1,821,795	
40			
41			
42			
43			
44			
45			
46			
47			
48			
49			
50			
51	DISTRIBUTION PLANT		
52	Jamestown Distribution	1,820,683	
53	Gas Initiative	627,038	
54	Pipeline Integrity	7,876,614	
55			
56			
57			
58	GENERAL PLANT (48 Items)	4,282,108	
59	Scada System Enhancements -CC	2,396,211	
60	Structures and Improvements-Allen Road	1,754,589	
61	Structures and Improvements-Coolidge	1,789,653	
62			
63			
64			
65			
66			
67			
68			
69			
70	TOTAL	\$67,514,330	\$0

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011	
CONSTRUCTION OVERHEADS - GAS					
<p>1. List in column (a) the kinds of overheads according to the titles used by the respondent. Charges for outside professional services for engineering fees and management or supervision fees capitalized should be shown as separate items.</p> <p>2. On page 218 furnish information concerning construction overheads.</p> <p>3. A respondent should not report "none" to this page if no overhead apportionments are made, but rather should explain on page 218 the accounting procedures employed and the amounts of engineering, supervision and administrative costs, etc., which are directly charged to construction.</p> <p>4. Enter on this page engineering, supervision, administrative, and allowance for funds used during construction, etc., which are first assigned to a blanket work order and then prorated to construction jobs.</p>					
Line No.	Description of Overhead (a)	Total Amount Charged for the Year (b)	Total Cost of Construction to Which Overheads Were Charged (Exclusive of Overhead Charges) (c)		
1	General Administration Capitalized	\$9,324,200	\$122,607,402		
2	Supervision, Engineering and Transportation -				
3	Joint Expense	23,040,961	\$122,607,402		
4	Pensions and Employee Benefits Capitalized	20,867,428	\$122,607,402		
5	Allowance for Funds Used During Construction	841,976	\$122,607,402		
6	Payroll Taxes	3,214,933	\$122,607,402		
7					
8					
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33					
34	Total	\$57,289,498			

GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE

1. For each construction overhead explain: (a) the nature and extent of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned.
2. Show below the computation of allowance for funds used during construction rates, if those differ from the overall rate of return authorized by the Michigan Public Service Commission.

General Administration Capitalized

Costs of certain administrative departments (i.e. Legal, Corporate Resources, Corporate Planning) are capitalized monthly based on annual estimates of how much work is applicable to construction work in progress. Amounts capitalized are initially debited to a blanket work order (Account 107). These charges are then transferred to construction work orders based on the current month's charges to these construction work orders.

Supervision, Engineering and Transportation - Joint Expense

Supervision, engineering and transportation costs of certain departments are distributed to operation and maintenance accounts and construction work orders on a pro rata basis to direct labor charges.

Pensions and Employees' Benefits Capitalized

Construction and retirement work orders are debited with costs of pensions and employees' benefits distributed on the basis of direct construction and retirement labor charges. The percentage applied to direct labor includes an additional component which represents amounts applicable to indirect labor.

Allowance for Funds Used During Construction (A.F.U.D.C.)

An allowance for funds used during construction is computed monthly by applying the A.F.U.D.C. rate to accumulated expenditures for specific major projects of all classes of property. The A.F.U.D.C. rate is equivalent to the most recently authorized overall rate of return as approved by the Michigan Public Service Commission. The composite A.F.U.D.C. rate for 2011 was 7.19% per annum.

Payroll Taxes

Construction and retirement work orders are debited with costs of payroll taxes (FICA, FUTA, MUTA) distributed on the basis of direct construction and retirement labor charges. The percentage applied to direct labor includes an additional component which represents amounts applicable to indirect labor.

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Note: See Page 217 for amounts capitalized.

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011									
ACCUMULATED PROVISION FOR DEPRECIATION OF GAS UTILITY PLANT (Accounts 108 and 110)													
1. Explain in a footnote any important adjustments during year. 2. Explain in a footnote any difference between the amount for book cost of plant retired, line 11, column (c), and that reported for gas plant in service, pages 202-207, column (d), excluding retirements of non-depreciable property. 3. Accounts 108 and 110 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all cost included in retirement work in progress at year end in the appropriate functional classifications. 4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.													
Section A. Balances and Changes During Year													
Line No.	Item (a)	Total (c+d+e) (b)	Gas Plant in Service (c)	Gas Plant Held for Future Use (d)	Gas Plant Leased to Others (e)								
1	Balance Beginning of Year	\$ 1,845,266,361	\$ 1,844,938,748	\$ 327,613									
2	Depreciation Provisions for Year, Charged to												
3	(403) Depreciation Expense	72,134,410	72,128,324	6,086									
4	(403.1) Depreciation Expense	123,344	123,344										
5	(404 & 405) Amortization Expense Intangible Plant	7,297,394	7,297,394										
6	Transportation Expenses-Clearing	1,457,000	1,457,000										
7	Other Clearing Accounts												
8	Other Accounts (Specify): (411) Accretion Expense	6,513,914	6,513,914										
9	TOTAL Deprec. Prov. for Year (Enter total of lines 3 thru 8)	87,526,062	87,519,976	6,086									
10	Net Charges for Plant Retired:												
11	Book Cost of Plant Retired	25,021,327	24,687,628	333,699									
12	Cost of Removal	18,951,352	18,951,352										
13	Salvage (Credit)	(265,923)	(265,923)										
14	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 11 thru 13)	43,706,756	43,373,057	333,699									
15	Other Debit or Credit Items (Describe): (2)	(4,599,648)	(4,599,648)	-									
16													
17	Balance End of Year (Enter Total of lines 1, 9, 14, 15, and 16)	1,884,486,019	1,884,486,019										
Section B. Balances at End of Year According to Functional Classifications													
18	Production-Manufactured Gas												
19	Production and Gathering-Natural Gas	14,180,069	14,180,069	-									
20	Intangible Plant - Gas	55,372,811	55,372,811										
21	Underground Gas Storage	135,682,258	135,682,258										
22	Other Storage Plant (FAS 143/FIN 47)	-											
23	Retirement Work In Progress	(2,735,460)	(2,735,460)										
24	Transmission	223,567,452	223,567,452										
25	Distribution	1,363,075,720	1,363,075,720										
26	General	95,343,169	95,343,169										
27	TOTAL (Enter Total of lines 18 thru 26)	\$ 1,884,486,019	\$ 1,884,486,019	\$ -									
Notes: (2) OTHER DEBIT AND CREDIT ITEMS CONSISTS OF THE FOLLOWING: <table style="width: 100%; margin-top: 10px;"> <tr> <td style="width: 60%;">ARO Related Adjustments</td> <td style="text-align: right;">\$ (6,513,914)</td> </tr> <tr> <td>Fin 47 adj. \$.5M, and \$1.5M reinstatement</td> <td style="text-align: right;">\$ 1,975,617</td> </tr> <tr> <td>Non-Utility</td> <td style="text-align: right;">\$ (61,351)</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">\$ (4,599,648)</td> </tr> </table>						ARO Related Adjustments	\$ (6,513,914)	Fin 47 adj. \$.5M, and \$1.5M reinstatement	\$ 1,975,617	Non-Utility	\$ (61,351)		\$ (4,599,648)
ARO Related Adjustments	\$ (6,513,914)												
Fin 47 adj. \$.5M, and \$1.5M reinstatement	\$ 1,975,617												
Non-Utility	\$ (61,351)												
	\$ (4,599,648)												

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011		
GAS STORED (ACCOUNT 117,164.1,164.2, AND 164.3)						
<p>1. If during the year adjustment was made to the stored gas inventory (such as to correct cumulative inaccuracies of gas measurements), furnish in a footnote an explanation of the reason for the adjustment, the Mcf and dollar amount of adjustment, and account charged or credited.</p> <p>2. Give in a footnote a concise statement of the facts and the accounting performed with respect to any encroachment of withdrawals during the year, or restoration of previous encroachment, upon native gas constituting the "gas cushion" of any storage reservoir.</p> <p>3. If the company uses a "base stock" in connection with its inventory accounting, give a concise statement of the basis of establishing such "base stock" and the inventory basis and the accounting performed with respect to any encroachment of withdrawals upon "base stock," or restoration of previous encroachment, including brief particulars of any such accounting during the year.</p> <p>4. If the company has provided accumulated provision for stored gas which may not eventually be fully recovered from any storage project, furnish a statement showing: (a) date of Commission authorization of such accumulated provision, (b) explanation of circumstances requiring such provision, (c) basis of provision and factors of calculation, (d) estimated ultimate accumulated provision accumulation, and (e) a summary showing balance of accumulated provision and entries during year.</p> <p>5. Report pressure base of gas volumes as 14.65 psia at 60° F.</p>						
Line No.	Description (a)	Noncurrent (Account 117) (b)	Current (Account 164.1) (c)	LNG (Account 164.2) (d)	LNG (Account 164.3) (e)	Total (f)
1	Balance at Beginning of Year	\$32,418,445	\$43,096,373	0	0	\$75,514,818
2	Gas Delivered to Storage (contra Account)	0	54,733,422			54,733,422
3	Gas Withdrawn from Storage (contra Account)	0	(45,666,438)			(45,666,438)
4	Other Debits or Credits (Net)	0	0			0
5	Balance at End of Year	\$32,418,445	\$52,163,357	0	0	\$84,581,802
6	Mcf	62,536,175	43,291,066			105,827,241
7	Amount Per Mcf	\$0.51840	\$1.20495			\$0.79924
<p>8 State basis of segregation of inventory between current and noncurrent portions: Current gas is excess over base pressure gas established for each reservoir.</p>						

NONUTILITY PROPERTY (Account 121)

1. Give a brief description and state the location of nonutility property included in Account 121.
2. Designate with an asterisk any property which is leased to another company. State name of lessee and whether lessee is an associated company.
3. Furnish particulars (details) concerning sales, purchases, or transfers of Nonutility Property during the year.
4. List separately all property previously devoted to public service and give date of transfer to Account 121, Nonutility Property. These items are separate and distinct from those allowed to be grouped under instruction No. 5.
5. Minor items (5% of the Balance at the End of the Year for Account 121) may be grouped.
6. Natural gas companies which have oil property should report such property by State, classified as to (a) oil lands and land rights, (b) oil wells, and (c) other oil property. Gasoline plants and other plants for the recovery from natural gas are classifiable as gas plant and should be reported as such and not shown as Nonutility Property.

Line No.	Description and Location (a)	Balance at Beginning of Year (b)	Purchases, Sales, Transfers, etc. (c)	Balance at End of Year (d)
1	(All Properties in Michigan)			
2				
3	Land	\$ 724,427	\$ -	\$ 724,427
4	Storage Field Land and Land Rights	-	-	-
5	Edmore Field	761,548	-	761,548
6	Computer Equipment - MRCS	-	-	-
7	Leased Water Heaters	981,615	-	981,615
8	Minor Items	73,995	-	73,995
9		\$ 2,541,585	\$ -	\$ 2,541,585
10				
11				
12				
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ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF NONUTILITY PROPERTY (Account 122)

Report below the information called for concerning depreciation and amortization of nonutility property.

Line No.	Item (a)	Amount (b)
1	Balance, Beginning of Year	\$ 670,317
2	Accruals for Year, Charged to	
3	(417) Income from Nonutility Operations	
4	(418) Nonoperating Rental Income	
5	Other Accounts (Specify):	
6	403-01 Deprec. Exp.	61,351
7	403-11 Deprec. Exp. - Computer Equip. - MEMS	
8	403-11 Deprec. Exp. - Other Audit Equip. - MEMS	
9	TOTAL Accruals for Year (Enter Total of lines 3 thru 8)	61,351
10	Net Charges for Plant Retired	
11	Book Cost of Plant Retired	-
12	Cost of Removal	-
13	Salvage (Credit)	-
14	TOTAL Net Charges (Enter Total of lines 10 thru 13)	-
15	Other Debit or Credit Items (Describe):	-
16	Plant In Service	-
17	Balance, End of Year (Enter Total of lines 1, 9, 14, and 16)	\$ 731,668

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL		December 31, 2011	
INVESTMENTS (Accounts 123, 124, 136)			
<p>1. Report below Investments in Accounts 123, Investments in Associated Companies, 124, Other Investments, and 136, Temporary Cash Investments.</p> <p>2. Provide a subheading for each account and list thereunder the information called for:</p> <p>(a) Investment in Securities - List and describe each security owned giving name of issuer, date acquired and date of maturity. For bonds, also give principal amount, date of issue, maturity, and interest rate. For capital stock (including capital stock of respondent reacquired under a definite plan for resale pursuant to authorization by the Board of Directors, and included in Account 124, Other Investments, state number of shares, class, and series of stock. Minor Investments may be grouped by classes. Investments included in Account 136, Temporary Cash Investments, also may be grouped by classes.</p> <p>(b) Investment Advances - Report separately for each person or company the amounts of loans or investment advances which are properly includable in Account 123. Advances subject to current repayment should be included in Accounts 145 and 146. With respect to each advance, show whether the advance is a note or open account. Each note should be listed giving date of issuance, maturity date, and specifying whether note is a renewal. Designate any</p>			
Line No.	Description of Investment (a)	Book Cost at Beginning of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference.) (b)	Purchases or Additions During Year (c)
1	<u>Account 123</u>		
2			
3			
4	Total Account 123	\$ -	\$ -
5			
6			
7	<u>Account 124</u>		
8			
9	Detroit Investment Fund (Acquired 04-10-95)	\$ 1,794,178	\$ 11,999
10			
11			
12	Total Account 124	\$ 1,794,178	\$ 11,999
13			
14			
15			
16	<u>Account 136</u>		
17			
18			
19			
20			
21	Total Account 136	\$ -	\$ -
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL					December 31, 2011
INVESTMENTS (Accounts 123, 124, 136) (Continued)					
advances due from officers, directors, stockholders, or employess. Exclude amount reported on page 229.					
3. For any securities, notes or accounts that were pledged designate with an asterisk such securities, notes, or accounts and in a footnote state the name of pledgee and purpose of the pledge.					
4. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.					
5. Report in column (g) interest and dividend revenues from investments including such revenues from securities disposed of during the year.					
6. In column (h) report for each Investment disposed of during the year the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including any dividend or interest adjustment includible in column (g).					
Sales or Other Dispositions During Year (d)	Principal Amount or No. of Shares at End of Year (e)	Book Cost at End of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference. (f)	Revenues for Year (g)	Gain or (Loss) from Investment Disposed of (h)	Line No.
					1
					2
				\$ -	3
\$ -		\$ -	\$ -	\$ -	4
				\$ -	5
					6
					7
					8
\$ -		\$ 1,806,177	-	-	9
					10
\$ -		\$ 1,806,177	\$ -	\$ -	11
					12
					13
					14
					15
					16
					17
					18
					19
					20
\$ -		\$ -	\$ -	\$ -	21
					22
					23
					24
					25
					26
					27
					28
					29
					30
					31

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011	
INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1)					
1. Report below investments in Account 123.1, Investment in Subsidiary Companies. 2. Provide a subheading for each company and list thereunder the information called for below. Sub-total by company and give a total in columns (e), (f), (g) and (h). (a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity, and interest rate. (b) Investment Advances - Report separately the amounts of loans or Investment Advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal. 3. Report separately the equity in undistributed subsidiary earnings since acquisition. The total in column (e) should equal the amount entered for Account 418.1					
Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Amount of Investment at Beginning of Year (d)	
1	MICHCON DEVELOPMENT CORPORATION				
2	COMMON STOCK	6-29-84			
3	(PAR VALUE \$1 PER SHARE, 1,000			0	
4	SHARES AT 12-31-98)			0	
5	ADDITIONAL PAID-IN CAPITAL			(717,150)	
6	EQUITY IN EARNINGS			1,131	
7	Total			(716,019)	
8	BLUE LAKE HOLDINGS, INC.				
9	COMMON STOCK	6-25-91			
10	(PAR VALUE \$.01 PER SHARE, 10			0	
11	SHARES AT 12/31/98)				
12	ADDITIONAL PAID-IN CAPITAL			7,490,192	
13	OTHER COMPREHENSIVE INCOME			0	
14	EQUITY IN EARNINGS			2,753,732	
15	Total			10,243,924	
16	MICHCON PIPELINE COMPANY				
17	COMMON STOCK	5-26-95			
18	(PAR VALUE \$.01 PER SHARE, 1000			10	
19	SHARES AT 12/31/98)			0	
20	ADDITIONAL PAID-IN CAPITAL			14,458,436	
21	EQUITY IN EARNINGS			715,387	
22	Total			15,173,833	
23	SAGINAW BAY PIPELINE COMPANY				
24	COMMON STOCK	5-26-95			
25	(PAR VALUE \$.01 PER SHARE, 1000			0	
26	SHARES AT 12/31/98)			0	
27	ADDITIONAL PAID-IN CAPITAL			0	
28	EQUITY IN EARNINGS			0	
29	Total			0	
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					
47					
48					
49					
50					
51					
52	Total Cost of Account 123.1		Total	24,701,738	

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2011	
INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)						
4. For any securities, notes, or accounts that were pledged, designate such securities, notes, or accounts in a footnote, and state the name of pledgee and purpose of the pledge. 5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number. 6. Report column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year. 7. In column (h), report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including interest adjustment includible in column (f). 8. Report on Line 52, column (a) the total cost of Account 123.1.						
Equity in Subsidiary Earnings for Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or (Loss) from Investment Disposed of (h)	Line No.		
				1		
		0		2		
		0		3		
		(717,150)		4		
(20,325)	0	(19,194)		5		
(20,325)	0	(736,344)		6		
				7		
		0		8		
				9		
		7,490,192		10		
		0		11		
2,165,989	0 (1)	4,919,721		12		
2,165,989	0	12,409,913		13		
				14		
	(10)	0		15		
	0 (3)	0		16		
	(14,458,436) (2)	0		17		
0	(715,387) (1)	0		18		
0	(15,173,833)	0		19		
				20		
		0		21		
	0	0		22		
				23		
		0		24		
	0	0		25		
	3,159,780	3,159,780		26		
(383,595)	0	(383,595)		27		
(383,595)	3,159,780	2,776,185		28		
				29		
				30		
				31		
				32		
				33		
				34		
				35		
				36		
				37		
				38		
				39		
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				41		
				42		
				43		
				44		
				45		
				46		
				47		
				48		
				49		
				50		
				51		
1,762,069	(12,014,053)	14,449,754		52		

(1) Earnings adjustment to clear equity in earnings
 (2) Subs transferred to Affiliate
 (3) Over return of Capital

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2011
NOTES AND ACCOUNTS RECEIVABLE SUMMARY FOR BALANCE SHEET			
Show separately by footnote the total amount of notes and accounts receivable from directors, officers, and employees included in Notes Receivable (Account 141) and Other Accounts Receivable (Account 143).			
Line No.	Accounts (a)	Balance Beginning of Year (b)	Balance End of Year (c)
1	Notes Receivable (Account 141)	896,778	1,476,906
2	Customer Accounts Receivable (Account 142)	263,249,253	231,709,893
3	Other Accounts Receivable (Account 143) (Disclose any capital stock subscriptions received)	55,172,365 (1)	45,575,248 (1)
4	Total	319,318,396	278,762,047
5	Less: Accumulated Provision for Uncollectible Accounts - Cr. (Accounts 144)	89,482,853	67,622,813
6	Total, Less Accumulated Provision for Uncollectible Accounts	\$229,835,543	\$211,139,234
7			
8			
9			
10			
11			
12	(1) Includes amount receivable from Employees	(82,874)	(49,982)
13			
14			

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS - CR. (Account 144)						
1. Report below the information called for concerning this accumulated provision.						
2. Explain any important adjustments of subaccounts.						
3. Entries with respect to officers and employees shall not include items for utility services.						
Line No.	Item (a)	Utility Customers See Note (2) (b)	Merchandise, Jobbing and Contract Work (c)	Officers and Employees (d)	Other (e)	Total (f)
1	Balance beginning of year	88,681,058	0	0	801,795	89,482,853
2	Prov. for uncollectibles for year	39,654,221	0	0	(205,109)	39,449,111
3	Accounts written off	(71,282,619)	0	0	0	(71,282,618)
4	Coll. of accounts written off	9,935,037	0	0	38,430	9,973,466
5	Adjustments (explain):	0	0	0	0	0
6	Balance end of Year	66,987,697	0	0	635,116	67,622,813
7						
8	(2) The uncollectible provision per the balance sheet does not include direct expense charged to the income statement, which					
9	is primarily related to low income match write offs:					
10	Provision for uncollectibles-utility	39,654,221				
	Provision for uncollectibles-merch.	0				
11	Directly charged to expense	6,179,994				
12	Uncollectibles Expense (acct 904)	45,834,215				
13						

MICHIGAN CONSOLIDATED GAS COMPANY	AN ORIGINAL	December 31, 2011
RECEIVABLES FROM ASSOCIATED COMPANIES (Accounts 145, 146)		
<ol style="list-style-type: none"> 1. Report particulars of notes and accounts receivable from associated companies * at end of year. 2. Provide separate headings and totals for Accounts 145, Notes Receivable from Associated Companies, and 146, Accounts Receivable from Associated Companies, in addition to a total for the combined accounts. 3. For notes receivable, list each note separately and state purpose for which received. Show also in column (a) date of note, date of maturity and interest rate. 4. If any note was received in satisfaction of an open account, state the period covered by such open account. 5. Include in column (f) interest recorded as income during the year including interest on accounts and notes held any time during the year. 6. Give particulars of any notes pledged or discounted, also of any collateral held as guarantee of payment of any note or account. 		

* NOTE * Associated companies* means companies or persons that, directly or indirectly, through one or more intermediaries, control, or are controlled by, or are under common control with, the accounting company. This includes related parties.

Control* (including the terms "controlling," "controlled by," and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether such power is exercised through one or more intermediary companies, or alone, or in conjunction with, or pursuant to an agreement, and whether such power is established through a majority or minority ownership, or voting of securities, common directors, officers, or stockholders, voting trusts, holding trusts, associated companies, contract or any other direct or indirect means.

Line No.	Particulars (a)	Balance Beginning of Year (b)	Total for Year		Balance End of Year (e)	Interest For Year (f)
			Debits (c)	Credits (d)		
1	<u>Account 145</u>					
2	MichCon Development Company	-	1,334,727	685,753	648,974	79
3	Saginaw Bay Lateral Limited Partnership	-	-	-	-	-
4	MichCon Pipeline Company	29,505	8,380,841	8,410,346	-	-
5	MichCon Fuel Service Company	972,303	11,559,224	7,890,613	4,640,914	6,539
6	Saginaw Bay Pipeline Company	-	124,635	22,991	101,644	7
7	DTE Energy Company (Note 1)	-	-	-	-	60,610
8						
9						
10						
11						
12	Total Account 145	1,001,808	21,399,427	17,009,703	5,391,532	67,235

Note 1 - Interest was paid based upon daily balances that were in an intra-month net receivable position. All note activity is depicted on p.260B due to the predominant position being a net payable.

Notes receivable from associated companies arise from the Inter-Company Loan Agreements.

Purpose: To provide a line of credit to associated companies.

Maturity Date: N/A

Interest Rate: Annually modified fixed rate

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011		
RECEIVABLES FROM ASSOCIATED COMPANIES (Accounts 145, 146) (Continued)						
Line No.	Particulars (a)	Balance Beginning of Year (b)	Totals for Year		Balance End of Year (e)	Interest For Year (f)
			Debits (c)	Credits (d)		
1	<u>Account 146</u>					
2	DTE Energy Company	3,071	12,860,065	12,836,962	26,174	
3	DTE Energy Resources, Inc.	19	4,590	3,899	710	
4	DTE Biomass Energy, Inc.	1	2,053	2,054	-	
6	DTE Energy Trading, Inc.	123,049	4,647,350	4,592,011	178,388	
7	River Rouge GPPI	-	602	602	-	
8	DTE Energy Services, Inc.	16	1,000	995	21	
9	South Romeo Gas Storage Company	33,442	81,453	114,895	-	
10	EES Coke Battery, LLC	185,995	849,800	1,035,795	-	
11	DTE East China, LLC	8,500	102,000	102,000	8,500	
12	DTE East China Operating	-	3,396	3,396	-	
13	DTE Tonawanda LLC	-	856	525	331	
14	DTE Coal Services, Inc.	2	220	222	-	
15	Detroit Edison Company	(3,003,959)	1,859,581,680	1,856,577,721		
16	DTE Energy Ventures	1,249	55,903	56,007	1,145	
17	MichCon Pipeline Company	669,062	366,067	1,034,313	816	
18	MichCon Gathering Company	151,718	3,548,569	3,481,861	218,426	
19	Saginaw Bay Pipeline Company	15,352	338,767	334,988	19,131	
20	MichCon Lateral Company	114,677	2,721,965	2,725,524	111,118	
21	Citizens Gas Fuel Company	96	131,446	131,407	135	
22	DTE Gas Storage Pipeline & Processing Co.	9,928	800,672	798,046	12,554	
23	DTE Millenium Company	4,866	45,482	41,304	9,044	
24	DTE Dearborn LLC	-	4,722	4,722	-	
25	DTE Gas Storage Company	210,119	2,815,004	2,814,785	210,338	
26	Shelby Storage LLC	1,929	49,626	41,844	9,711	
27	MichCon Fuel Service Company	72,543	1,803,051	1,501,457	374,137	
28	DTE Gas Resources	1	154	155	-	
29	Monroe Fuels Company LLC	-	507	251	256	
30	DTE Coke Operations	-	10,229	10,229	-	
31	Washington 10 Storage Corporation	244,713	1,373,042	1,541,596	76,159	
32	Woodland Biomass Power	-	290	290	-	
33	DTE Chicago Fuels	-	128	128	-	
34	DTE Energy Corporate Services, LLC	2,854,802	63,512,525	63,341,273	3,026,054	
35	Bluestone gas Corp of NY	-	18,241	14,315	3,926	
36	Bluestone Pipe Co of PA	-	43,961	34,302	9,659	
37	Susquehanna Gathering Co	-	43,648	-	43,648	
38						
39	Total Account 146	1,701,191	1,955,819,064	1,953,179,874	4,340,381	\$ -
40	Total of Accounts 145 and 146	\$2,702,999	\$1,977,218,491	\$1,970,189,577	\$9,731,913	\$67,235

MATERIALS AND SUPPLIES

- For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material. Nonmajor companies may report total on line 4.
- Give an explanation of important inventory adjustments during year (on a supplemental page) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected-debited or credited. Show separately debits or credits to stores expense-clearing, if applicable.

Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department or Departments Which Use Material (d)
1	Fuel Stock (Account 151)			
2	Fuel Stock Expenses Undistributed (Account 152)			
3	Residuals and Extracted Products (Account 153)			
4	Plant Materials and Operating Supplies (Account 154)			
5	Assigned to - Construction (Estimated)	6,401,684	6,889,872	
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)	6,702,741	7,213,886	
8	Transmission Plant (Estimated)			
9	Distribution Plant (Estimated)			
10	Assigned to - Other			
11	TOTAL Account 154 (Enter Total of lines 5 thru 10)	13,104,425 (1)	14,103,758 (1)	
12	Merchandise (Account 155)			
13	Other Materials and Supplies (Account 156)			
14	Nuclear Materials Held for Sale (Account 157) (Not applicable to Gas Utilities)			
15	Stores Expense Undistributed (Account 163)	3,417,757	1,916,612	
16				
17				
18				
19				
20	TOTAL Materials and Supplies (Per Balance Sheet)	16,522,182	16,020,370	
(1)	Plant Materials and Operating Supplies (Account 154) Construction and Operating Materials and Supplies: Pipe-steel and plastic Fittings, valves, regulators, meter connections Automotive and gas plant equipment parts Appliance parts and installation materials Gas Odorant Truck Stock and other base stock Other Materials Uniforms and hand tools Stationary and office supply forms Forms Sub-Total	0	0	
	Materials and supplies in transit	0	0	
	Materials and supplies - Unassigned costs: Freight on materials Sales and use taxes Sub-Total	0 0 0		
	Inventory adjustments in suspense	0	0	
	TOTAL Account 154	\$0	\$0	

NOTE: Accounts are reassigned based on SAP which was implemented in 2007. A new fuel stock account was created in 2010.

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011		
PREPAYMENTS (ACCOUNT 165)						
1. Report below the particulars (details) on each prepayment. 2. Report all payments for undelivered gas on line 5 and complete pages 226 to 227 showing particulars (details) for gas prepayments.						
Line No.	Nature of Prepayment (a)	Balance at End of Year (In Dollars) (b)				
1	Prepaid Insurance					
2	Prepaid Rents	147,322				
3	Prepaid Taxes (262-263)	10,645,714				
4	Prepaid Interest					
5	Gas Prepayments (226-227)					
6	Miscellaneous Prepayments: (1)	809,028				
7	TOTAL	11,602,064				
Notes: (1) Miscellaneous Prepayments: Flex Spending Account Deposit Prepaid MPSC Fee					Balance at End of Year (In Dollars) 71,100 737,928 809,028	
EXTRAORDINARY PROPERTY LOSSES (Account 182.1)						
Line No.	Description of Extraordinary Loss [include in the description the date of loss, the date of Commission authorization to use Account 182.1 and period of amortization (Mo, yr, to mo, yr).] (a)	Total Amount of Loss (b)	Losses Recognized During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1						
2						
3						
4						
5						
6						
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11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28	TOTAL	\$0	\$0		\$0	\$0

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011	
OTHER REGULATORY ASSETS					
1. Report below the particulars (details) called for concerning other regulatory assets which are created through the ratemaking actions of regulatory agencies (and not includable in other accounts).					
2. For regulatory assets being amortized, show period of amortization in column (a).					
3. Minor items (amounts less than \$50,000) may be grouped by classes.					
4. Give the number and name of the account(s) where each amount is recorded.					
Line No.	Description and Purpose of Other Regulatory Assets (a)	Debits (b)	CREDITS		Balance at End of Year (e)
			Account Charged (c)	Amount (d)	
1	Assets in Other Accounts				
2	Deferred Asset - GCR (174)	714,716	496 & 431	714,716	0
3					
4	Revenue Decoupling Mechanism Deferred Debits (186)	18,151,380	496 & 431	5,533,041	17,691,880
5					
6	Deferred Environmental Testing/Clean-up Costs*	9,623,217	253	2,126,287	48,561,763
7	(186 and 253)				
8					
9	Cost to Achieve per Rate Order - U-14909 (186)	0	930.2	2,828,988	16,420,354
10					
11	Unamortized Loss on Retirement of Debt (189)	0	428	1,652,529	28,152,327
12					
13	Long Term UETM (186)	12,300,682	174	60,246,200	219,464
14	Current Receivable UETM (174)	48,164,982	142	48,871,350	40,900,289
15					
16	Minimum Pension Liability & Post Retirement Costs (186)	223,351,801	228.3	39,678,801	748,517,000
17	Other (Medicare) (186)	15,985	Various	404,337	5,622,206
18					
19	Accumulated Deferred Michigan Business Tax (186)	7,750,750	283 & 410	18,050,213	53,783,468
20	AFUDC - Recover Tax (182.3)	327,099	283	2,367	512,826
21	Total Regulatory Assets				\$960,381,577
22					
23					
24					
25					
26					
27	* Balance also includes amounts reserved, but not yet paid. The following				
28	is a reconciliation of the net MGP Regulatory Asset Balance:				
29	Deferred MGP Environmental Testing/Clean-up Costs (186), page 233			48,561,763	
30	Less: Environmental Remediation Expenses-MGP (253), page 269			(16,383,179)	
31	Current Environmental Reserves MGP (242), page 268			(14,245,175)	
32	Legal I&D Reserve (228.2)			(3,500,000)	
33	Net MGP Regulatory Asset			14,433,409	
34					
35					
36					
37	Items displayed on this page may also be included on other pages due to overlapping classifications.				
38					
39					
40					
41					
42	TOTAL	\$320,400,612		\$180,108,829	\$960,381,577

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011		
MISCELLANEOUS DEFERRED DEBITS (Account 186)						
1. Report below the particulars (details) called for concerning miscellaneous deferred debits.						
2. For any deferred debt being amortized, show period of amortization in column (a).						
3. Minor items (less than \$50,000) may be grouped by classes.						
Line No.	Description of Miscellaneous Deferred Debit (a)	Balance at Beginning of Year (b)	CREDITS			Balance at End of Year (f)
			Debits (c)	Account Charged (d)	Amount (e)	
1	REG ASSET-FAS 87 MIN PENSION LIABILITY	564,844,000	223,351,801	228.3	39,678,801	748,517,000
2	PREPAID PENSION	177,605,000	20,502,824	228.3	86,216,824	111,891,000
3	N/R - VECTOR PIPELINE LEASE	70,652,355	6,921,959	172	9,211,756	68,362,558
4	ACCUM. DEF. MICHIGAN BUSINESS TAX	64,082,931	7,750,750	283,410.1	18,050,213	53,783,468
5	UETM - UNCOLLECTIBLE TRACKER	48,164,982	12,300,682	485,430	60,246,200	219,464
6	REG ASSET-ENVIRONMENTAL COSTS (10 year amortization)	41,064,833	9,623,217	253, 930.2	2,126,287	48,561,763
7	DEFERRED COSTS TO ACHIEVE (10 year amortization)	19,249,342	-	930.2	2,828,988	16,420,354
8	MEDICARE SUBSIDY SUMMARY	6,010,558	15,985	Various	404,337	5,622,206
9	REG ASSET-REVENUE DECOUPLING MECHANISM	5,073,541	18,151,380	496 & 431	5,533,041	17,691,880
10	FINANCING EXPENSE ST DEBT	3,990,327	3,597,542	431.0	4,130,231	3,457,638
11	LT RECEIVABLES - EMPLOYEES	950,704	-	Various	28,043	922,661
12	DEF. TAXES ON AFUDC EQUITY	188,094	327,099	283	2,367	512,826
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40		-	-		-	-
41		-	-		-	-
42		-	-		-	-
43						
44	TOTAL	1,001,876,667	302,543,239		228,457,088	1,075,962,818

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MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011	
ACCUMULATED DEFERRED INCOME TAXES (Account 190)					
1. Report the information called for below concerning the respondent's accounting for deferred income taxes.					
2. At Other (Specify), include deferrals relating to other income and deductions.					
Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR		
			Amounts Debited To Account 410.1 (c)	Amounts Credited To Account 411.1 (d)	
1	Electric				
2					
3					
4					
5					
6					
7	Other				
8	TOTAL Electric (Enter Total of lines 2 thru 7)				
9	Gas				
10	Bad Debts	\$32,342,393	\$7,651,015	\$0	
11	Veba	106,371,693	\$0	\$0	
12	Tax Basis Adjustments	51,640,936	\$3,414,051	\$2,236,253	
13	Lost Gas	(1,778,242)	\$0	\$1,718,500	
14	Vacation Liability	5,315,133	\$3,898	\$249,379	
15	Other	160,688,121	\$5,296,871	23,043,924	
16	TOTAL Gas (Enter Total of lines 10 thru 15)	\$354,580,034	\$16,365,835	\$27,248,056	
17	Other (Specify)				
18	TOTAL (Account 190) (Enter Total of lines 8, 16, & 17)	\$354,580,034	\$16,365,835	\$27,248,056	
19	Classification of Total:				
20	Federal Income Tax				
21	State Income Tax				
22	Local Income Tax				
<p style="text-align: center;">NOTES</p> <p style="text-align: center;"><i>In the space provided below, identify by amount and classification, significant items for which deferred taxes are being provided. Indicate insignificant amounts under Other.</i></p>					
	Other Line 15				
	Post 1992 Misc. Deferreds	\$141,764,014	166,041	3,082,077	
	Inventory Capitalized	(14,372,843)	\$2,816,100	\$15,406,423	
	Vector Pipeline	3,636,824	\$47	\$727,300	
	Environmental Insurance Recovery	370,695	\$2,314,683	\$0	
	Self-Implementation Refund	0	\$0	\$3,608,324	
	Long-term DFIT Assets	8,103,129	\$0	\$0	
	Stock Compensation	1,119,569	\$0	\$219,800	
	MBT	5,066,733	\$0	\$0	
	Net Operating Loss	15,000,000	\$0	\$0	
	Total Other	\$160,688,121	\$5,296,871	\$23,043,924	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011		ACCUMULATED DEFERRED INCOME TAXES (Account 190)	
3. If more space is needed use separate pages as required. 4. In the space provided below, identify by amount and classification, significant items for which deferred taxes are being provided. Indicate insignificant amounts.							
CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amount Debited Account 410.2 (e)	Amounts Credited Account 411.2 (f)	DEBITS		CREDITS			
		Acct. No. (g)	Amount (h)	Acct. No. (i)	Amount (j)		
							1
							2
							3
							4
							5
							6
							7
							8
							9
-	-		-		-	24,691,378	10
-	-				141,303	106,512,996	11
-	-					50,463,138	12
-	-				-	(59,742)	13
-	-		-		-	5,560,614	14
0	0	See below	0	See below	43,049	178,478,223	15
\$0	\$0		\$0		\$184,352	365,646,607	16
							17
							18
\$0	\$0		\$0		\$184,352	\$365,646,607	19
							20
							21
							22
NOTES (Continued)							
-	-		\$0			\$144,680,050	
-	-					(1,782,520)	
-	-				-	4,364,077	
-	-				-	(1,943,988)	
						3,608,324	
-	-				43,049	8,146,178	
-	-				-	1,339,369	
-	-				-	5,066,733	
-	-				-	15,000,000	
-	-				-	0	
-	-				-	0	
\$0	\$0		\$0		\$43,049	\$178,478,223	

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL December 31, 2011				
CAPITAL STOCK (Accounts 201 and 204)				
<p>1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to the report form (i.e. year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.</p> <p>2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.</p>				
Line No.	Class and Series of Stock and Name of Stock Exchange (a)	Number of Shares Authorized by Charter (b)	Par or Stated Value Per Share (c)	Call Price at End of Year (d)
1	COMMON STOCK	15,100,000	\$1.00	-
2				
3	CUMULATIVE PREFERRED STOCK			
4	SERIES:			
5	REDEEMABLE \$2.05 SERIES	7,000,000	\$1.00	N/A
6				
7	CUMULATIVE PREFERENCE STOCK	4,000,000	\$1.00	N/A
8				
9				
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11				
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MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL December 31, 2011						
CAPITAL STOCK (Accounts 201 and 204) (Continued)						
3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued. 4. The identification of each class of preferred stock should allow the dividend rate and whether the dividends are cumulative or noncumulative. 5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year. 6. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purpose of pledge.						
OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent.)		HELD BY RESPONDENT				Line No.
		As Reacquired Stock (Account 217)		In Sinking and Other Funds		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
10,300,000	\$10,300,000	-	-	-	-	1
						2
						3
						4
-	-	-	-	-	-	5
						6
-	-	-	-	-	-	7
						8
						9
						10
						11
						12
						13
						14
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						30

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2011
OTHER PAID-IN CAPITAL (Accounts 208-211, inc.)			
Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.			
(a) Donations Received from Stockholders (Account 208)-State amount and give brief explanation of the origin and purpose of each donation. (b) Reduction in Par or Stated Value of Capital Stock (Account 209)-State amount and give brief explanation of the capital changes which gave rise to amounts reported under this caption including identification with the class and series of stock to which related. (c) Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210)-Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related. (d) Miscellaneous Paid-In Capital (Account 211)-Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.			
Line No.	Item (a)		Amount (b)
1	<u>ACCOUNT 209 REDUCTION IN PAR OR STATED VALUE OF COMMON STOCK</u>		
2			
3	BALANCE, DECEMBER 31, 2010	\$133,900,000	
4	NO TRANSACTIONS DURING 2011	-	
5			
6	BALANCE, DECEMBER 31, 2011	133,900,000	\$133,900,000
7			
8			
9	<u>ACCOUNT 210 GAIN ON RESALE OR CANCELLATION OF REACQUIRED CAPITAL STOCK</u>		
10			
11	BALANCE, DECEMBER 31, 2010	12,525	
12	NO TRANSACTIONS DURING 2011	-	
13			
14	BALANCE, DECEMBER 31, 2011	12,525	12,525
15			
16			
17			
18	<u>ACCOUNT 211 MISCELLANEOUS PAID-IN-CAPITAL</u>		
19			
20	BALANCE, DECEMBER 31, 2010	390,193,141	
21	CAPITAL CONTRIBUTION - CASH	-	
22	CAPITAL REDUCTION - ASSET	-	
23			
24	BALANCE, DECEMBER 31, 2011	\$390,193,141	390,193,141
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38	Total		\$524,105,666

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report
Michigan Consolidated Gas Company			Dec. 31, 2011
SECURITIES ISSUED OR ASSUMED AND SECURITIES REFUNDED OR RETIRED DURING THE YEAR			
<p>1. Furnish a supplemental statement giving a brief description of security financing and refinancing transactions during the year and the accounting for the securities, discounts, premiums, expenses, and related gains or losses. Identify as to Commission authorization numbers and dates.</p> <p>2. Furnish particulars (details) showing fully the accounting for the total principal amount, par value, or stated value of each class and series of security issued, assumed, retired, or refunded and the accounting for premiums, discounts, expenses, and gains or losses relating to the securities. Set forth the facts of the accounting clearly with regard to redemption premiums, unamortized discounts, expenses, and gains or losses relating to securities retired or refunded, including the accounting for such amounts carried in the respondent's accounts at the date of the refunding or refinancing transactions with respect to securities previously refunded or retired.</p> <p>3. Include in the identification of each class and series of security, as appropriate, the interest or dividend</p>		<p>rate, nominal date of issuance, maturity date, aggregate principal amount, par value or stated value, and number of shares. Give also the issuance or redemption price and name of the principal underwriting firm through which the security transactions were consummated.</p> <p>4. Where the accounting for amounts relating to securities refunded or retired is other than that specified in General Instruction 16 of the Uniform System of Accounts, give references to the Commission authorization for the different accounting and state the accounting method.</p> <p>5. For securities assumed, give the name of the company for which the liability on the securities was assumed as well as particulars (details) of the transactions whereby the respondent undertook to pay obligations of another company. If any unamortized discounts, premiums, expenses, and gains or losses were taken over onto the respondent's books, furnish details of these amounts with amounts relating to refunded securities clearly earmarked.</p>	
<p><u>Mortgage Bonds Retired</u></p> <p>No Bond Retirements in 2011.</p> <p><u>Securities Issued</u></p> <p>No New Issuances in 2011.</p>			

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011	
LONG-TERM DEBT (Accounts 221, 222, 223, and 224)					
<p>1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other Long-Term Debt. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to the report form (i.e. year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.</p> <p>2. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.</p> <p>3. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.</p> <p>4. For receivers' certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.</p> <p>5. In a supplemental statement, give explanatory particulars (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term</p>					
Line No.	Class and Series of Obligation and Name of Stock Exchange (a)	Nominal Date of Issue (b)	Date of Maturity (c)	Outstanding (Total amount outstanding without reduction for amounts held by respondent) (d)	
1	Account 221 - Bonds				
2	Mortgage Bonds:				
3					
4	8.25% Series due 2014	09-26-94	05-01-14	80,000,000	
5	5.7% Snr Note due 2033	02-20-03	03-15-33	200,000,000	
6	5% Snr Note due 2019	10-04-04	10-01-19	120,000,000	
7	7.06% Series due 2012	05-20-97	05-01-12	40,000,000	
8	5.26% 2008 Series A Snr Note due 2013	04-11-08	04-15-13	60,000,000	
9	6.04% 2008 Series B Snr Note due 2018	04-11-08	04-15-18	100,000,000	
10	6.44% 2008 Series C Snr Note due 2023	04-11-08	04-15-23	25,000,000	
11	6.78% 2008 Series F Snr Note due 2028	06-26-08	06-15-28	75,000,000	
12	5.94% 2008 Snr Note due 2015	08-20-08	09-01-15	140,000,000	
13	6.36% 2008 Snr Note due 2020	08-20-08	09-01-20	50,000,000	
14					
15					
16	Other Bonds:				
17					
18					
19					
20					
21					
22	Total Account 221 Bonds			890,000,000	
23					
24					
25					
26					
27					
28	Account 224 - Other				
29					
30	Total Account 224 Other			-	
31					
32					
33					
34					
35					
36					
37					
38					
39					
40	Total			\$890,000,000	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011	
LONG-TERM DEBT (Accounts 221, 222, 223, and 224) (Continued)					
<p>advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates.</p> <p>6. If the respondent has pledged any of its long-term debt securities, give particulars (details) in a footnote, including name of the pledgee and purpose of the pledge.</p> <p>7. If the respondent has any long-term securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.</p> <p>8. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (f). Explain in a footnote any difference between the total of column (f) and the total of Account 427, Interest on Long-Term Debt, and Account 430, Interest on Debt to Associated Companies.</p> <p>9. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.</p>					
Interest for Year		Held by Respondent		Redemption Price	Line No.
Rate (In %)	Amount	Reacquired Bonds (Acct. 222)	Sinking and Other Funds	Per \$100 at End of Year	
(e)	(f)	(g)	(h)	(i)	
					1
					2
					3
8.25	6,600,000				4
5.70	11,396,804 (1)				5
5.00	6,146,434 (1)				6
7.06	2,824,000				7
5.26	3,156,000				8
6.04	6,040,000				9
6.44	1,610,000				10
6.78	5,085,000				11
5.94	8,316,000				12
6.36	3,180,000				13
					14
					15
					16
					17
					18
					19
					20
					21
	54,354,238	-	-		22
					23
					24
					25
					26
					27
					28
					29
	-	-	-		30
					31
					32
					33
(1) Interest on these instruments is being reported net of OCI cash flow hedge					34
					35
					36
					37
					38
					39
	\$ 54,354,238	\$ -	\$ -		40

UNAMORTIZED DEBT EXPENSE, PREMIUM AND DISCOUNT ON LONG-TERM DEBT
(Accounts 181, 225, 226)

1. Report under separate subheadings for Unamortized Debt Expense, Unamortized Premium on Long-Term Debt and Unamortized Discount on Long-Term Debt, particulars (details) of expense, premium or discount applicable to each class and series of long-term debt.
2. Show premium amounts by enclosing the figures in parentheses.
3. In column (b) show the principal amount of bonds or other long-term debt originally issued.
4. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.

Line No.	Designation of Long-Term Debt (a)	Principal Amount of Debt Issued (b)	Total Expense Premium or Discount (c)	Amortization Period	
				Date From (d)	Date To (e)
1	UNAMORTIZED DEBT EXPENSE ON LONG-TERM DEBT				
2					
3	First Mortgage Bonds:				
4					
5	8 1/4% Series Due 2014	80,000,000	700,000	09-26-94	05-01-14
6	5.7% 2003A due 2033	200,000,000	1,897,181	02-20-03	03-15-33
7	5% 2004E Snr Note due 2019	120,000,000	2,408,975	10-04-04	10-01-19
8	7.06% Series due 2012	40,000,000	434,119	05-20-97	05-01-12
9	5.26% 2008 Series A Snr Note due 2013	60,000,000	416,035	04-11-08	04-15-13
10	6.04% 2008 Series B Snr Note due 2018	100,000,000	652,468	04-11-08	04-15-18
11	6.44% 2008 Series C Snr Note due 2023	25,000,000	213,248	04-11-08	04-15-23
12	6.78% 2008 Series F Snr Note due 2028	75,000,000	521,559	06-26-08	06-15-28
13	5.94% 2008 Snr Note due 2015	140,000,000	735,427	08-20-08	09-01-15
14	6.36% 2008 Snr Note due 2020	50,000,000	239,830	08-20-08	09-01-20
15					
16					
17					
18	TOTAL ACCOUNT 181	\$890,000,000	\$8,218,842		
19					
20					
21	UNAMORTIZED PREMIUM ON OTHER BONDS				
22					
23					
24	TOTAL ACCOUNT 225	\$0	\$0		
25					
26					
27	UNAMORTIZED DISCOUNT ON FIRST MORTGAGE BONDS				
28					
29	8 1/4% Series due 2014	80,000,000	680,000	09-26-94	05-01-14
30	5.7% 2003A due 2033	200,000,000	726,000	02-20-03	03-15-33
31	5.0% 2004e due 2019	120,000,000	487,200	10-04-04	10-01-19
32					
33	TOTAL ACCOUNT 226	\$400,000,000	\$1,893,200		
34					
35					
36					
37					
38					
39					
40					

UNAMORTIZED DEBT EXPENSE, PREMIUM AND DISCOUNT ON LONG-TERM DEBT
 (Accounts 181, 225, 226) (Continued)

5. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

6. Identify separately undisposed amounts applicable to issues which were redeemed in prior years.

7. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt Discount and Expense, or credited to Account 429, Amortization of Premium on Debt-Credit.

Balance at Beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Balance at End of Year (i)	Line No.
				1
				2
				3
				4
119,065		(35,719)	83,346	5
1,401,023		(63,093)	1,337,930	6
1,406,014		(160,688)	1,245,326	7
38,726		(29,044)	9,682	8
190,028		(83,022)	107,006	9
474,764	391	(65,281)	409,874	10
174,576		(14,206)	160,370	11
455,609	335	(26,160)	429,784	12
487,932	335	(104,717)	383,550	13
192,706		(19,935)	172,771	14
				15
				16
				17
\$4,940,443	\$1,061	(\$601,865)	\$4,339,639	18
				19
				20
				21
				22
				23
\$0	\$0	\$0	\$0	24
				25
				26
				27
				28
115,662		(34,699)	80,963	29
536,134		(24,144)	511,990	30
284,358		(32,498)	251,860	31
				32
\$936,154	0	(\$91,341)	\$844,813	33
				34
				35
				36
				37
				38
				39
				40

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011		
UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (ACCOUNTS 189, 257)						
1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Recquired Debt, particulars (details) of gain and loss, including maturity date, on reacquisition applicable to each class and series of long-term debt. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue. 2. In column (c) show the principal amount of bonds or other long-term debt reacquired. 3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with General Instruction 17 of the Uniform Systems of Accounts. 4. Show loss amounts by enclosing the figures in parentheses. 5. Explain in a footnote any debits and credits other than amortization debited to Account 428.1, Amortization of Loss on Recquired Debt, or credited to Account 429.1, Amortization of Gain on Recquired Debt-Credit.						
Line No.	Designation of Long-Term Debt (a)	Date Reacquired (b)	Principal Amount of Debt Reacquired (c)	Net Loss (d)	Balance at Beginning of Year (e)	Balance at End of Year (f)
1	<u>Account 189</u>					
2	9 3/4% series due 2000					
3	Refunding with 7.06% 1997-B due 2012 - 110005	6/30/1997	12,000,000	(1,009,562)	90,056	22,514
4						
5						
6	7.8% due 2017					
7	6.75% due 2023					
8	7-1/2% due 2020					
9	7% due 2025					
10	6.2% due 2038					
11	Refunding with 5.7% 2003A due 2033 - 110003	02/20/2003	172,174,000	(25,916,511)	19,138,715	18,276,826
12						
13	1999 6.85% Senior Note due 2038					
14	1999 6.85% Senior Note due 2039					
15	Refunding with 5.0% 2004E due 2019 - 110004	10/4/2004	107,327,000	(3,523,365)	2,056,439	1,821,417
16						
17	8% series due 2002					
18	6.45% 1998 MOPPRS due 2038					
19	Refunding with 6.78% 2008 Series F					
20	Senior Notes due 2028 - 110010	6/30/2008	75,000,000	(9,746,617)	8,519,646	8,031,570
21						
22						
23						
24						
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26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41			\$ 366,501,000	\$ (40,196,055)	\$ 29,804,856	\$ 28,152,327
42	<u>Account 257</u>					
43	None					
44	No Redemption or Issuance in 2011.					
45						
46						
47						
48						
49						
50						
51						
52						
53						
54						
55						

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011		
NOTES PAYABLE (Account 231)						
1. Report the particulars indicated concerning notes payable at end of year. 2. Give particulars of collateral pledged, if any. 3. Furnish particulars for any formal or informal compensating balance agreements covering open lines of credit. 4. Any demand notes should be designated as such in column (d). 5. Minor amounts may be grouped by classes, showing the number of such amounts.						
Line No.	Payee (a)	Purpose for which issued (b)	Date of Note (c)	Date of Maturity (d)	Int. rate (e)	Balance end of year (f)
1	Various Lenders of Commercial	For Gas in Underground Storage	Various (1)	Various (1)	Various(1)	(184,978,426.38)
2	Paper Debt	and Other Working Capital				
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13	In October 2011, MichCon completed a consolidation and replacement of its \$250 million and \$175 million of its syndicated revolving credit facility before the scheduled expiration in August 2012 and August 2013 respectively. The new \$400 million 5-year facility will expire in October 2016. The credit facility is with a syndicate of banks and may be utilized for general corporate borrowings, but are primarily intended to provide liquidity support for commercial paper programs.					
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
TOTAL						(184,978,426)

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011		
PAYABLES TO ASSOCIATED COMPANIES (Accounts 233, 234)						
1. Report particulars of notes and accounts payable to associated companies at end of year. 2. Provide separate totals for Accounts 233, Notes Payable to Associated Companies, and 234 Accounts Payable to Associated Companies, in addition to a total for the combined accounts. 3. List each note separately and state the purpose for which issued. Show also in column (a) date of note, maturity and interest rate. 4. Include in column (f) the amount of any interest expense during the year on notes or accounts that were paid before the end of the year. 5. If collateral has been pledged as security to the payment of any note or account, describe such collateral.						
Line No.	Particulars (a)	Balance Beginning of Year (b)	Totals for Year		Balance End of Year (e)	Interest for Year (f)
			Debits (c)	Credits (d)		
1	<u>Account 233</u>					
2	DTE Energy Company	133,647,852	1,236,384,286	1,104,689,704	1,953,270	55,778
3	MichCon Development Corporation	32,770	718,523	685,753	-	597
4	Blue Lake Holdings, Inc.	3,454,616	1,886,818	4,891,218	6,459,016	15,239
5	Michcon Gathering	6,466,869	16,271,340	9,804,471	-	1,720
6	Saginaw Bay Pipeline Company	373,857	403,848	29,991	-	583
7	Michcon Lateral Company	113,739	8,004,352	7,890,613	-	37
8						
9						
10	Total (Account 233)	144,089,703	1,263,669,167	1,127,991,750	8,412,286	73,954
<p>Note: Notes Payable to associated companies arise from the Inter-Company Loan Agreement.</p> <p>Purpose: To provide a line of credit from associated companies.</p> <p>Maturity Date: N/A</p> <p>Interest Rate: Annually modified fixed rate.</p>						

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2011	
PAYABLES TO ASSOCIATED COMPANIES (Accounts 233, 234)						
Line No.	Particulars	Balance Beginning of Year	Debits	Totals for Year Credits	Balance End of Year	Interest for Year
	(a)	(b)	(c)	(d)	(e)	(f)
1	Account 234					
2	DTE Energy Company	448,408	94,569,120	95,161,626	1,040,914	
3	DTE Energy Resources, LLC	19	5,022	5,027	24	
4	DTE Biomass Energy, Inc	-	2,305	2,305	-	
5	Riverview Gas Producers	-	4,991	4,991	-	
6	DTE Energy Trading	6,781	205,035	207,227	8,973	
7	River Rouge GPP1	-	41	41	-	
8	DTE Energy Services, Inc.	3,263	4,242	2,087	1,108	
9	Sth Romeo Gas Strg Co LLC	2,366	12,954	10,588	-	
10	EES Coke Battery, LLC	-	33,744	33,744	-	
11	DTE East China	-	71	71	-	
12	DTE Tonawanda LLC	-	556	564	8	
14	DTE Coal Services, Inc	-	222	222	-	
14	Syndeco Realty Corp	-	4,024	4,024	-	
15	The Detroit Edison Co.	4,029,881	100,379,659	105,498,652	9,148,874	
16	DTE Energy Ventures	109	4,404	4,369	74	
17	MichCon Pipeline Company	14	344,565	346,177	1,626	
18	MichCon Gathering Company	431,377	7,214,116	7,207,048	424,309	
19	Saginaw Bay Pipeline Cmpy	674	21,778	21,886	782	
20	MichCon Lateral Company	8,239	199,031	193,992	3,200	
21	Citizens Gas Fuel Company	178	2,174	2,025	29	
22	MCN Energy Enterprise, In	-	41,823	41,823	-	
23	DTE Pipeline Company	479	22,547	24,198	2,130	
24	DTE Millennium Company	690	5,535	5,441	596	
25	DTE Dearborn, LLC	-	5,637	5,637	-	
26	DTE Gas Storage Company	45,324	399,459	396,808	42,673	
27	Shelby Storage LLC	118	4,174	4,925	869	
28	MichCon Fuel Services Co.	40	1,090,450	1,094,084	3,674	
29	DTE Gas Resources	-	154	154	-	
30	Monroe Fuels Company, LLC	-	5	189	184	
31	DTE Coke Operations	-	14,992	14,992	-	
32	Wash 10 Storage Corp	1,009	64,157	65,911	2,763	
33	DTE Chicago Fuels	-	8	8	-	
34	DTE Eng Corp Svcs LLC	19,351,907	355,821,807	358,103,988	21,634,088	
35	Bluestone Pipe Co of PA	-	-	5	5	
36						
37	Total (Account 234)	24,330,876	560,478,802	568,464,829	32,316,903	
	Total	168,420,579	1,824,147,969	1,696,456,579	40,729,189	73,954

MICHIGAN CONSOLIDATED GAS COMPANY An Original December 31, 2011		
RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES		
<p>1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.</p> <p>2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however,</p>		
Line No.		Total Amount
1	Utility net operating income (page 114 line 24)	
2	Allocations: Allowance for funds used during construction	
3	Interest expense	
4	Other (specify)	
5	Net income for the year (page 117 line 72)	\$109,018,890
6	Allocation of Net income for the year	
7	Add Federal income tax expenses	44,525,872
8		
9	Total pre-tax income	153,544,762
10		
11	Add: Taxable income not reported on books	
12	SEE PAGE 261-C	11,600,000
13		
14		
15	Add: Deductions recorded on books not deducted from return	
16	SEE PAGE 261-C	95,763,813
17		
18		
19	Subtract : Income recorded in books not included in return	
20	SEE PAGE 261-C	(2,939,771)
21		
22		
23	Subtract: Deductions on return not charged against book income	
24	SEE PAGE 261-C	(212,081,018)
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		
41		
42		
43	Federal taxable income for the year	\$45,887,786

MICHIGAN CONSOLIDATED GAS COMPANY		An Original	December 31, 2011
RECONCILIATION OF REPORTED NET INCOME			
WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES			
intercompany amounts to be eliminated in such a consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.			
3. Allocate taxable income between utility and other income as required to allocate tax expense between 409.1 and 409.2.			
4. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions.			
Utility	Other		Line No.
\$164,143,818			1
			2
			3
			4
			5
107,277,585	1,741,305		6
44,771,117	(245,245)		7
			8
152,048,702	1,496,060		9
			10
			11
11,600,000	0		12
			13
			14
			15
95,763,778	35		16
			17
			18
			19
(807,835)	(2,131,936)		20
			21
			22
			23
(210,771,018)	(1,310,000)		24
			25
			26
			27
			28
			29
			30
			31
			32
			33
			34
			35
			36
			37
			38
			39
			40
			41
			42
\$47,833,627	(\$1,945,841)		43

MICHIGAN CONSOLIDATED GAS COMPANY An Original December 31, 2011		
RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES		
Line No.		Total Amount
1	NOTES	
2	Line 12: Taxable Income Not Reported On Books:	
3	Reserve for Lost Gas	\$4,910,000
4	Contribution in Aid of Construction	6,190,000
5	Other Miscellaneous	500,000
6	Line 12 Subtotal	11,600,000
7		
8		
9		
10	Line 16: Deductions Recorded On Books Not Deducted From Return:	
11	Uncollectible Tracker	\$67,123,000
12	Accretion Expense	6,513,914
13	Cost to Achieve Amortization	2,828,988
14	Loss on Reacquired Debt	1,652,528
15	Vector Pipeline Lease	2,078,000
16	State Deferred Tax Expense	7,382,223
17	SFAS 106 Adjustment	3,566,000
18	Other Miscellaneous	4,619,160
19	Line 16 Subtotal	\$95,763,813
20		
21		
22		
23	Line 20: Income Recorded In Books Not Included In Return:	
24	Equity Earnings in Subsidiaries	\$2,131,936
25	AFUDC Equity	511,835
26	Grantor Trust	296,000
27	Line 20 Subtotal	\$2,939,771
28		
29		
30		
31	Line 24: Deductions On Return Not Charged Against Book Income:	
32	Tax Depreciation over Book Depreciation	\$98,548,000
33	Property Tax	5,902,000
34	ACRS & MACRS Dispositions	5,420,000
35	Repairs Allowance	18,497,000
36	Removal Costs	17,801,000
37	Section 263A Adjustment	8,046,000
38	Bad Debt Reserve	21,860,040
39	Revenue Decoupling Mechanism	12,497,000
40	Self Implementation Refund	10,310,000
41	Charitable Contribution Limitation	1,310,000
42	Other Miscellaneous	11,889,978
43	Line 24 Subtotal	\$212,081,018
44		
45		

MICHIGAN CONSOLIDATED GAS COMPANY			An Original	December 31, 2011
RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES				
Utility		Other		Line No.
				1
				2
	\$4,910,000		\$0	3
	6,190,000		0	4
	500,000		0	5
	11,600,000		0	6
				7
				8
				9
				10
	\$67,123,000		\$0	11
	6,513,914		0	12
	2,828,988		0	13
	1,652,528		0	14
	2,078,000		0	15
	7,382,223		0	16
	3,566,000		0	17
	4,619,125		35	18
	\$95,763,778		\$35	19
				20
				21
				22
				23
	\$0		\$2,131,936	24
	511,835		0	25
	296,000			26
	\$807,835		\$2,131,936	27
				28
				29
				30
				31
	\$98,548,000		\$0	32
	5,902,000		0	33
	5,420,000		0	34
	18,497,000		0	35
	17,801,000		0	36
	8,046,000		0	37
	21,860,040		0	38
	12,497,000		0	39
	10,310,000		0	40
	0		1,310,000	41
	11,889,978		0	42
	\$210,771,018		\$1,310,000	43
				44
				45

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2011
CALCULATION OF FEDERAL INCOME TAX			
Line No.		Total Amount	
1	Estimated Federal taxable income for the current year (page 261A)	\$45,887,787	
2			
3	Show Computation of estimated gross Federal income tax applicable to line 1:		
4	\$40,701,342 * 35 %	16,060,725	
5			
6			
7			
8	TOTAL	\$16,060,725	
9			
10	Allocation of estimated gross Federal income tax from line 11		
11	Investment tax credits estimated to be utilized for the year (page 264 col (c))		
12			
13	Adjustment of last years estimated Federal income tax to the filed return:		
14			
15	Last year's gross Federal income tax expense per the filed return	(\$86,034,538)	
16	Last year's estimated gross Federal income tax expense	(84,196,452)	
17	Increased (decreased) gross Federal income tax expense	(1,838,086)	
18			
19	Last year's investment tax credits utilized per the filed return	0	
20	Last year's investment tax credits estimated to be utilized	0	
21	Increased (decreased) investment tax credits utilized	0	
22			
23	Additional Adjustments (Specify)		
24			
25	R & D credit	(164,097)	
26	Tax Reserves	82,918	
27	Audit Settlement	1,349,205	
28	Net Operating Loss Utilization	(15,490,665)	
29			
30			
31	Total Current Federal Income Tax	(\$1.00)	
32	Expense:		
33	409.1 (page 114, line 14)	\$681,048	
34	409.2 (page 117, line 47)	(\$681,049)	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2011	
CALCULATION OF FEDERAL INCOME TAXES (continued)				
Utility	Other		Line No.	
			1	
			2	
			3	
			4	
			5	
			6	
			7	
			8	
			9	
\$16,741,773		(\$681,049)		10
				11
				12
				13
				14
(\$86,034,538)		0		15
(\$84,196,452)		0		16
(\$1,838,086)		\$0		17
				18
				19
				20
				21
				22
				23
		0		24
(164,097)				25
82,918				26
1,349,205				27
(15,490,665)				28
				29
				30
\$681,048		(\$681,049)		31
				32
\$681,048				33
		(\$681,049)		34

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL		December 31, 2011	
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR			
1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts. 2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes. 3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts. 4. List the aggregate of each kind of tax in such manner that the total tax for			
Line No.	Kind of Tax (See Instruction 5) (a)	Balance at Beginning of Year	
		Taxes Accrued (b)	Prepaid Taxes (c)
1	Federal Taxes		
2			
3	Federal Insurance Contributions	\$324,272	
4	Federal Unemployment	67,407	-
5	Federal Income - Accrual	(5,209,422)	-
6	- Prepaid	-	-
7	Subtotal Federal Taxes	(4,817,743)	-
8			
9	State Taxes - Other than Income		
10			
11	Michigan Unemployment	111	-
12	Michigan Use	160,147	-
13	Michigan Severance	-	-
14	Michigan Single Business	0	-
15	M.P.S.C. Fee	-	\$790,767
16	Subtotal State Taxes - Other than Income	160,258	790,767
17			
18	Property and State/Local Income Taxes		
19			
20	Property - Accrued	0	-
21	- Prepaid	-	10,153,016
22			-
23	State/Local Income Taxes	946,105	-
24	Subtotal Local Taxes	946,105	10,153,016
25			
26	Other Taxes		
27			
28	Corporate Allocated Payroll Tax	-	-
29	Other Tax Expense	-	-
30	Subtotal Other Taxes	-	-
31			
32			
33	Total A/C 236	(\$3,711,380)	\$10,943,783
34	Income Tax Prior Year - A/C 244, 245	-	-
35	Other Tax Prior Year - A/C 244.1, 245.1	\$0	
36			
37			

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL			December 31, 2011		
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)					
each State and subdivision can readily be ascertained.					
5. If any tax (exclude Federal and state income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).					
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.					
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.					
8. Show in columns (i) thru (p) how the taxed accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or subaccount.					
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.					
Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)	Balance at End of Year		Line No.
			Taxes Accrued (Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	
					1
					2
\$9,131,977	\$9,125,320	-	\$330,929	-	3
192,606	156,768	-	103,245	-	4
(5,128,719)	(9,679,247)	-	(658,894)	-	5
		-	-	-	6
4,195,864	(397,159)	0	(224,720)	-	7
					8
					9
					10
217,834	216,967	-	978	-	11
2,733,040	2,861,275	-	31,912	-	12
		-	-	-	13
		-	-	-	14
2,509,883	2,457,044	-	-	737,928	15
5,460,757	5,535,286	0	32,890	737,928	16
					17
					18
					19
35,731		-	35,731	-	20
42,281,029	42,773,727	-		\$10,645,714	21
				-	22
5,628,456	4,699,472		1,875,089	-	23
47,945,216	47,473,199	0	1,910,820	10,645,714	24
					25
					26
					27
9,190	9,190	-	-	-	28
9,190	9,190	-	-	-	29
		0	0	0	30
					31
					32
\$57,611,027	\$52,620,516	\$0	\$1,718,990	11,383,642	33
\$0	0	\$0	\$0	-	34
\$0	0		\$0		35
					36
					37

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

DISTRIBUTION OF TAXES CHARGED

Line No.	Kind of Tax (See Instruction 5) (a)	Electric (Account 408.1 409.1) (b)	Gas (Account 408.1 409.1) (c)
1	Federal Taxes		
2			
3	Federal Insurance Contributions	\$ -	\$9,005,937
4	Federal Unemployment	-	198,103
5	Federal Income - Accrual	-	681,048
6	- Prepaid	-	
7	Subtotal Federal Taxes	0	9,885,088
8			
9	State Taxes - Other than Income		
10			
11	Michigan Unemployment	-	306,150
12	Michigan Use	-	
13	Michigan Severance	-	
14	Michigan Single Business	-	
15	M.P.S.C. Fee		2,509,883
16	Subtotal State Taxes - Other than Income	-	2,816,033
17			
18	Property and State/Local Income Taxes		
19			
20	Property - Accrued	-	
21	- Prepaid	-	41,199,615
22	State/Local Income Taxes	-	5,902,572
23	Subtotal Property and State/Local Income Taxes	0	47,102,187
24			
25	Other Taxes		9,190
26			
27	Corporate Allocated Payroll Tax		
28	Other Tax Expense		
29	Subtotal Other Taxes	0	9,190
30			
31			
32			
33	Total A/C 236	\$0	\$59,812,498
34	Income Tax Prior Year - A/C 244, 245	-	\$0
35	Other Tax Prior Year - A/C 244.1, 245.1	-	\$0
36			
37			

DISTRIBUTION OF TAXES CHARGED

Line No.	Kind of Tax (See Instruction 5) (a)	Total Other (b)	Work-In-Progress (c)	Depreciation Reserve (d)
1	Federal Taxes			
2				
3	Federal Insurance Contributions	126,040		-
4	Federal Unemployment	(5,497)		-
5	Federal Income - Accrual	(5,128,718)		-
6	- Prepaid	-	-	-
7	Subtotal Federal Taxes	(5,008,175)	0	0
8				
9	State Taxes - Other than Income			
10				
11	Michigan Unemployment	(88,316)		-
12	Michigan Use	2,733,040	2,733,040	-
13	Michigan Severance	-		-
14	Michigan Single Business	-		-
15	M.P.S.C. Fee	-	-	-
16	Subtotal State Taxes - Other than Income	2,644,724	2,733,040	0
17				
18	Property and State/Local Income Taxes			
19				
20	Property - Accrued	-	-	-
21	- Prepaid	1,087,145	-	-
22	State/Local Income Taxes	(195,000)	-	-
23	Subtotal Property and State/Local Income Taxes	892,145	0	0
24				
25	Other Taxes			
26				
27	Corporate Allocated Payroll Tax	-		
28	Other Tax Expense	-		
29	Subtotal Other Taxes	0	0	0
30				
31				
32				
33	Total A/C 236	(\$1,471,306)	\$2,733,040	\$0
34	Income Tax Prior Year - A/C 244, 245	\$0	-	-
35	Other Tax Prior Year - A/C 244.1, 245.1	\$0	-	-
36				
37				

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2011	
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)						

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011	
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)					
<p>1. Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and non-utility operations. Explain by footnote any correction adjustments to the account balance shown in column (g) . Include in column (j) the average period over which the tax credits are amortized.</p> <p>2. Fill in columns for all line items as appropriate.</p>					
Line No.	Account Subdivisions (a)	Subaccount Number (b)	Balance at Beginning of Year (c)	Deferred for Year	
				Account Number (d)	Amount (e)
1	Gas Utility				
2	PRE - 1970				
3	3%	255-10			
4	7%	255-10			
5	Subtotal Pre - 1970		0		
6					
7	JDITC: POST - 1970				
8	4%	255-20			
9	6%	255-20			
10	7%	255-20			
11	4% & 6%	255-20			
12	8% & 10%	255-20			
13	Subtotal POST - 1970		-		
14					
15	ITC - Regroup base on depreciation case		8,642,444		
16	Total		8,642,444		-
17					
18					
19					
20	Total		8,642,444		-
21	Other				
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35	Total				
NOTES					

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2011	
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (Continued)						
Allocations to Current Year's Income						
Account No. (f)	Amount (g)	Adjustments (h)	Balance at End of Year (i)	Average Period of Allocation to Income (j)	Line No.	
					1	
					2	
411-42			\$0		3	
411-42			0		4	
	0		0		5	
					6	
					7	
411-42			-		8	
411-42			-		9	
411-42			-		10	
411-42			-		11	
411-42			-		12	
	0	-	-		13	
	(895,404)		7,747,040		14	
	(895,404)	-	7,747,040		15	
					16	
					17	
					18	
					19	
	(895,404)	-	7,747,040		20	
					21	
					22	
					23	
					24	
					25	
					26	
					27	
					28	
					29	
					30	
					31	
					32	
					33	
					34	
					35	
NOTES (Continued)						

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2011
MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (Account 242)			
1. Report the amount and description of other current and accrued liabilities at end of year.			
2. Minor items (Less than \$100,000) may be grouped under appropriate title.			
Line No.	Item (a)	Balance end of year (b)	
1	Over Collection Gas Sales Revenue	25,821,879	
2	Current Environmental Reserves MGP	14,245,175	
3	Accrued Vacation	10,855,130	
4	Gas Exchange / Imbalance Payable	6,156,832	
5	Accrued Wages	4,625,159	
6	Accrued Employee Incentives	3,552,500	
7	Accrued Health Care	2,430,479	
8	Current Environmental Reserves Non MGP	2,354,966	
9	Current Pension Benefits	1,708,000	
10	Reg. Liability - Self Implementation Surcharge	1,143,124	
11	Tax Liability - Other	1,008,000	
12	Employee Deductions	378,889	
13	Current Portion - End User Transportation (EUT) Revenue	326,700	
14	Current Portion - Workers Comp	290,075	
15	Flexible Spending	133,780	
16	Capacity Reserve Charges Refund	48,678	
17	Escheat Liability	32,602	
18	Other Current Liabilities Accrual	13,350	
19			
20			
21			
22			
23			
24			
25	TOTAL	75,125,318	

CUSTOMER ADVANCES FOR CONSTRUCTION (Account 252)		
Line No.	List Advances by Department (a)	Balance at End of Year (b)
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		
41		
42		
43		
44		
45	TOTAL	\$0

OTHER DEFERRED CREDITS (Account 253)

1. Report below the particulars (details) called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (less than \$10,000) may be grouped by classes.
4. For any undelivered gas obligations to customers under take-or-pay clauses of sale agreements, show the total amount on this page and report particulars (details) called for by page 267. Show also on this page, but as a separate item, any advance billings or receipts for gas sales or service classified in Account 253 but not related to take-or-pay arrangements.

Line No.	Description of Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Regulated Liability - Pension Offset	128,703,579	926	20,984,082	12,781,806	120,501,303
2	Deferred Compensation	803,370	Var	876,331	831,956	758,995
3	Environmental Remediation Expenses - MGP	21,247,826	186 & 930.2	12,487,866	7,623,219	16,383,179
4	Environmental Remediation Expenses - Non MGP	3,356,695	923	1,328,106	741,168	2,769,757
5	Environmental Insurance Recovery	2,181	186	-	-	2,181
6	Gas Customer Choice Deposits	911,711	131	75,696	683,028	1,519,043
7	Reserve for LIEEF collections	-			2,960,009	2,960,009
8	Miscellaneous	4,330	253	108,130	51,437	(52,363)
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47	TOTAL	\$ 155,029,692		\$ 35,860,211	\$ 25,672,623	\$ 144,842,104

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2011	
ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282)						
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization. 2. For Other (Specify), include deferrals relating to other income and deductions. 3. Use separate pages as required.						
Line No.	Account Subdivisions (a)	Sub-Acc't. No. (b)	Balance at Beginning of Year (c)	CHANGES DURING YEAR		
				Amounts Debited to (Account 410.1) (d)	Amounts Credited to (Account 411.1) (e)	
1	Account 282					
2	Electric					
3	Gas Sec. 167 Acc Deprec.		\$294,431,714	39,744,644	6,801,576	
4	Other (Define)		0	0	0	
5	TOTAL (Enter total of lines 2 - 4)	282	294,431,714	39,744,644	6,801,576	
6	Other (Specify) Non-Utility					
7						
8						
9	TOTAL Account 282 (Enter total of lines 5 thru 8)		\$294,431,714	\$39,744,644	\$6,801,576	
10	Classification of Total					
11	Federal Income Tax		\$294,431,714	\$39,744,644	\$6,801,576	
12	State Income Tax					
13	Local Income Tax					
NOTES						
ACCUMULATED D.F.I.T - LIBERALIZED						
DEPRECIATION:						
LINE 3 GAS - UTILITY						
	FASB 109 Plant Reg. Liability	285-RA	\$47,597,397	0	6,801,576	
	FASB 96 Plant Excess DFIT	191-RA	(24,190,324)	0	0	
	Liberalized Depr. - Pre 1981	282-10	(2,920,618)	0	0	
	Liberalized Depr. - Post 1980	282-20	270,116,632	39,431,252	0	
	Accumulated DFIT - Depreciation	282-50	4,224,727	313,392	0	
	FASB 96 Non Plant Excess DFIT & Reg	191-RB	(396,100)	0	0	
					0	
	SUBTOTAL		294,431,714	39,744,644	6,801,576	
	LINE 4 GAS					
	SUBTOTAL - LINE 5 GAS		294,431,714	39,744,644	6,801,576	
	LINE 6					
OTHER - NON UTILITY LIBERALIZED						
DEPRECIATION						
	SUBTOTAL - LINE 6 OTHER		0	0	0	
	GRAND TOTAL ACCOUNT 282-XX		\$0	\$0	\$0	

MICHIGAN CONSOLIDATED GAS COMPANY				AN ORIGINAL		December 31, 2011	
ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)							
See Instructions Page 274							
CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (l)	Line No.
Amounts Debited (Account 410.2) (f)	Amounts Credited (Account 411.2) (g)	DEBITS		CREDITS			
		Acc't. (h)	Amount (i)	Acc't (j)	Amount (k)		
							1
							2
\$0	\$0		\$3,283,940		\$0	\$330,658,722	3
			0		0	0	4
0	0		3,283,940		0	330,658,722	5
							6
							7
							8
\$0	\$0		\$3,283,940		\$0	\$330,658,722	9
							10
\$0	\$0		\$3,283,940		\$0	\$330,658,722	11
							12
							13
NOTES (Continued)							
						\$40,795,821	
		286	3,283,940			(\$20,906,384)	
						(2,920,618)	
						309,547,884	
						4,538,119	
						(396,100)	
						0	
0	0		3,283,940		0	330,658,722	
0	0		3,283,940		0	330,658,722	
0	0		0		0	0	
\$0	\$0		\$0		\$0	\$0	

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2011	
ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)						
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283. 2. For Other (Specify), include deferrals relating to other income and deductions. 3. Provide in the space below, the order authorizing the use of the account for each line item.						
Line No.	Account Subdivisions (a)	Sub-Acc't. No. (b)	Balance at Beginning of Year (c)	CHANGES DURING YEAR		
				Amounts Debited (Acc't.410.1) (d)	Amounts Credited (Acc't.411.1) (e)	
1	Account 283					
2	Electric					
3						
4						
5						
6	Other					
7	TOTAL Electric (Total of lines 2 thru 6)					
8	GAS					
9	Long Term Liabilities	(283-10)	\$5,525,570	\$3,429,062	\$27,066,974	
10	Property Taxes	(283-20)	22,602,619	2,065,700	1,504,433	
11	Misc. Deferrals	(283-QI)	408,397,381	\$23,490,470	\$0	
12						
13	ACRS/MACRS & Retirement Plant	(283-QL)	989,753	\$0	\$0	
14	MARS Project	(283-QG)	22,482,098	\$0	\$0	
15	Other		17,409,911	31,076,276	1,248,100	
16	TOTAL Gas (Total of lines 9 thru 15)		477,407,332	60,061,508	29,819,507	
17	Other (Specify)					
18						
19						
20						
21						
22	TOTAL (Account. 283) (Enter Total of lines 7, 16, & 17)		\$477,407,332	\$60,061,508	\$29,819,507	
23	Classification of TOTAL					
24	Federal Income Tax		\$455,916,067	\$52,721,435	\$29,819,507	
25	State Income Tax		\$21,491,265	\$7,340,073	\$0	
26	Local Income Tax					
NOTES						
	Other Gas (Line 15)					
	GCR Undercollections	(283-80)	\$2,646,264	\$0	\$0	
	FAS 133 MTM	(283-00)	(423,751)	\$0	\$0	
	FAS 96 Excessive Deferrals	(253-PB)	598,843	\$0	\$0	
	VEBA	(283-QJ)	96,909,196	\$8,245,538	\$1,248,100	
	DFIT State/Local Tax		13,232,644	\$7,340,073	\$0	
	MBT DTA (Legislative Fix)		(52,615,000)	\$0	\$0	
	MBT (Legislative Fix) - Federal & State Gross-up		(\$3,209,310)	\$0	\$0	
	MBT DTL (Pre 2010)		60,398,665	\$0	\$0	
	MBT DTL (Pre 2010) - Federal & State Gross-up		3,684,266	\$0	\$0	
	AFUDC Equity		188,094	\$0	\$0	
	Net Operating Loss		(104,000,000)	\$15,490,665	\$0	
	Total Other Gas		17,409,911	31,076,276	1,248,100	

ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

Include amounts relating to insignificant items listed under Other.

4. Fill in all columns for all line items as appropriate.

5. Use separate pages as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (l)	Line No.
Amounts Debited (Acc't.410.2) (f)	Amounts Credited (Acc't.411.2) (g)	DEBITS		CREDITS			
		Acc't (h)	Amount (i)	Acc't (j)	Amount (k)		
							1
							2
							3
							4
							5
							6
							7
							8
\$0	\$0					(18,112,342)	9
0	0					23,163,886	10
0	(458,500)					432,346,351	11
							12
0	0					989,753	13
0	0					22,482,098	14
0	(42,149)	See Below	52,990,370	See Below	7,090,154	93,180,452	15
0	(500,649)		52,990,370		7,090,154	554,050,198	16
							17
							18
							19
							20
							21
\$0	(\$500,649)		\$52,990,370		\$7,090,154	\$554,050,198	22
\$0	(\$458,500)	\$0	(\$10,229,744)	\$0	\$7,090,154	\$461,956,597	
	(\$42,149)		\$63,220,114			92,093,601	
						0	

NOTES (Continued)

						\$2,646,264	
		228.3	50,134			(373,617)	
						598,843	
						103,906,634	
	(42,149)	228.3	506			20,615,372	
		278	52,615,000			0	
		278		278	(\$3,209,310)	\$0	
				186	9,842,205	50,556,460	
				186	457,259	3,227,007	
		186	324,730			512,824	
						(88,509,335)	
	(42,149)		52,990,370		7,090,154	93,180,452	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011	
OTHER REGULATORY LIABILITIES					
1. Report below the particulars (details) called for concerning other regulatory liabilities which are created through the ratemaking actions of regulatory agencies (and not includable in other accounts).					
2. For regulatory liabilities being amortized, show period of amortization in column (a).					
3. Minor items (amounts less than \$50,000) may be grouped by classes.					
4. Give the number and name of the account(s) where each amount is recorded.					
Line No.	Description and Purpose of Other Regulatory Liabilities (a)	DEBITS		Credits (d)	Balance at End of Year (e)
		Account Credited (b)	Amount (c)		
1	Accum. Deferred Michigan Business Tax (283)	254	55,824,310	\$0	\$0
2	Energy Optimization Regulatory Liability (254)	496 & 431	7,484,171	\$13,037,428	\$11,133,174
3	SFAS 109 Plant Regulatory Liability (286)	190	4,295,736	\$1,011,796	<u>\$25,973,118</u>
4					
5	Regulatory Liabilities Subtotal				<u>\$37,106,292</u>
6					
7	Regulatory Liabilities in Other Accounts				
8	SFAS 109 Plant Excess Deferred FIT (285)	411	6,801,576	0	\$40,795,820
9					
10	Long Term UETM (229)	496 & 431	\$1,633,020	20,870,780	\$19,237,760
11					
12	Overcollected Gas Sales Revenue (242)	496 & 431	\$25,444,511	42,019,706	\$25,821,879
13					
14	Refund Provisions (242)	Var. Rev.	\$27,860,669	3,294,947	\$1,143,124
15					
16	Refunds Payable (253)	Various	108,128	51,437	(\$52,361)
17					
18	Pension Regulatory Liability (253)	926	\$20,984,082	12,781,806	<u>\$120,501,303</u>
19					
20	Reserve for LIEEF Collections (253)		\$0	2,960,009	<u>\$2,960,009</u>
21					
22	Total Regulatory Liabilities in Other Accounts				<u>\$210,407,534</u>
23					
24	Total Regulatory Liabilities				<u>\$247,513,826</u>
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37	Items displayed on this page may also be included on other pages due to overlapping classifications.				
38					
39					
TOTAL			\$150,436,203	\$96,027,909	\$247,513,826

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GAS OPERATING REVENUES (Account 400)

1. Report below natural gas operating revenues for each prescribed account, and manufactured gas revenues in total.
2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.
3. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.
4. Report quantities of natural gas sold in Mcf (14.73 psia at 60°F). If billings are on a therm basis, give the Btu contents of the gas sold and the sales converted to Mcf.

Line No.	Title of Account (a)	OPERATING REVENUES	
		Amount for Year (b)	Amount for Previous Year (2) (c)
1	GAS SERVICE REVENUES		
2	480 Residential Sales	913,263,483	991,783,014
3	481 Commercial & Industrial Sales		
4	Small (or Comm.) (See Instr. 6)	214,078,902	249,125,190
5	Large (or Ind.) (See Instr. 6)	6,652,861	6,411,905
6	482 Other Sales to Public Authorities	-	-
7	484 Interdepartmental Sales (1)	6,095,137	559,308
8	TOTAL Sales to Ultimate Consumers	1,140,090,383	1,247,879,417
9	483 Sales for Resale	-	-
10	TOTAL Nat. Gas Service Revenues	1,140,090,383	1,247,879,417
11	Revenues from Manufactured Gas	-	-
12	TOTAL Gas Service Revenues	1,140,090,383	1,247,879,417
13	OTHER OPERATING REVENUES		
14	485 Intracompany Transfer	-	-
15	487 Forfeited Discounts	13,038,288	14,026,096
16	488 Misc. Service Revenues	53,764,739	48,854,805
17	489.1 Revenues transportation gas of others gathering	-	-
18	489.2 Revenues Transportation Gas of others transmission	54,084,706	57,606,592
19	489.3 Revenues Transportation Gas of others Distribution	212,686,107	202,521,096
20	489.4 Revenues from storing gas of others	35,295,287	44,185,813
21	490 Sales of Prod. Ext. from Nat. Gas	-	-
22	491 Rev. from Nat. Gas Proc. by Others	-	-
23	492 Incidental Gasoline and Oil Sales	-	-
24	493 Rent from Gas Property	100,460	108,089
25	494 Interdepartmental Rents	788,016	806,592
26	495 Other Gas Revenues	895,629	861,637
27	TOTAL Other Operating Revenues	370,653,233	368,970,720
28	TOTAL Gas Operating Revenues	1,510,743,616	1,616,850,137
29	(Less) 496 Provision for Rate Refunds	28,605,793	913,776
27	TOTAL Gas Operating Revenues Net of Provision for Refunds	1,482,137,823	1,615,936,361
28	Sales by Communities (Incl. Main Line Sales to Resid. and Comm. Custrs.)	1,127,342,385	
29	Main Line Industrial Sales (Incl. Main Line Sales to Pub. Authorities)	6,652,861	
30	Sales for Resale	-	
31	Other Sales to Pub. Auth. (Local Dist. Only)	-	
32	Gas Customer Choice Revenue	6,095,137	
33	TOTAL (Same as Line 10, Columns (b) and (d))	1,140,090,383	

GAS OPERATING REVENUES (Account 400) (Continued)

5. If increases or decreases from previous year (columns (c), (e) and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.
6. Commercial and Industrial Sales, Account 481, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 200,000 Mcf per year or approximately 800 Mcf per day of normal requirements. (See Account 481 of the Uniform System of Accounts. Explain basis of classification in a footnote.)
7. See page 108-109, Important Changes During Year, for important new territory added and important rate increases or decreases.

MCF OF NATURAL GAS SOLD		AVG. NO. OF NAT. GAS CUSTRS. PER MO.		Line No.
Quantity for Year (d)	Quantity for Previous Year (e)	Number for Year (f)	Number for Previous Year (g)	
				1
94,406,215	90,904,006	945,374	950,018	2
				3
23,075,864	23,361,002	63,201	65,863	4
807,162	674,579	332	370	5
-	-	-	-	6
1,004,257	138,712	-	-	7
119,293,498	115,078,299	1,008,907	1,016,251	8
-	-	-	-	9
119,293,498	115,078,299	1,008,907	1,016,251	10
				11
				12
				13
				14
				15
				16
				17
				17
				17
				17
				18
				19
				20
				21
				22
				23
				24
				25
				26
				27
				28
117,482,079				29
807,162				30
0				31
0				32
1,004,257				33
119,293,498				

NOTES

(1) Includes gas sales related to reconciliation of Gas Customer Choice Program.

(2) Previous year restated to reflect adoption of FERC Uniform System of Accounts

CUSTOMER CHOICE GAS OPERATING REVENUES (ACCOUNT 400)

1. Report below natural gas operating revenues for each prescribed account, and manufactured gas revenues in total.

2. Natural Gas means either natural gas unmixed or any mixture of natural and manufactured gas.

3. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that were separate meter readings are added for billing purposes, one customer should be counted for each group of

meters added. The average number of customers means the average of twelve figures at the close of each month.

4. Report quantities of natural gas sold in Mcf (14.73 psia at 60 degrees F). If billings are on therm basis, give the Btu contents of the gas sold and the sales converted to Mcf.

5. If increases or decreases from previous year (columns (c), (e) and (g)), are not derived from previously reported

Line No.	Title of Account (a)	OPERATING REVENUES	
		Amount for Year (b)	Amount for Previous Year (c)
1	GAS SERVICE REVENUES		
2	489 Residential Sales	74,018,862	69,641,425
3	489 Commercial & Industrial Sales		
4	Small (or Comm.) (See Instr. 6)	46,754,023	40,112,662
5	Large (or Ind.) (See Instr. 6)	1,127,232	907,824
6	TOTAL Sales to Ultimate Customers	121,900,117	110,661,911
7			
8	OTHER OPERATING REVENUES		
9			
10	489 Other Choice Revenues	1,385,941	1,386,423
11			
12	TOTAL Other Operating Revenues	123,286,058	112,048,334
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28	Dist. Type Sales by States (Incl. Main Line Sales to Resid. and Comm. Custrs.)	120,772,885	
29	Main Line Industrial Sales (Incl. Main Line Sales to Pub. Authorities)	1,127,232	
30	Year End Reconciliation		
31	Other Choice Revenue	1,385,941	
32			
33	TOTAL (Same as Line 7, Columns (b) and (d))	123,286,058	

CUSTOMER CHOICE GAS OPERATING REVENUES (ACCOUNT 400) (Continued)

figures, explain any inconsistencies in a footnote.

6. Commercial and Industrial Sales, Account 481, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 200,000 Mcf per year or approximately 800 Mcf

per day of normal requirements. (See Account 481 of the Uniform System of Accounts. Explain basis of classification in a footnote.)

7. See pages 108-109, Important changes During Year, for important new territory added and important rate increases or decreases.

MCF OF NATURAL GAS SOLD		AVG. NO. OF NAT. GAS CUSTRS. PER MO.		Line No.
Quantity for Year (d)	Quantity for Previous Year (e)	Number for Year (f)	Number for Previous Year (g)	
				1
20,525,771	18,846,802	178,868	175,884	2
				3
15,707,755	12,445,036	24,657	22,266	4
431,430	329,122	149	125	5
36,664,955	31,620,960	203,674	198,274	6
				7
				8
				9
				10
NOTES				11
				12
				13
				14
				15
				16
				17
				18
				19
				20
				21
				22
				23
				24
				25
				26
				27
36,233,526				28
431,430				29
0				30
				31
				32
36,664,955				33

Name of Respondent Michigan Consolidated Gas Company	This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2011
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RATE AND SALES SECTION

DEFINITIONS OF CLASSES OF SERVICE AND INSTRUCTIONS PERTAINING TO STATEMENTS ON SALES DATA

In the definitions below, the letters preceding the captions distinguish the main classes from the subclasses. Show the data broken into the subclasses if possible, but if not, report data under the main classes, drawing a dash through the subclass.

When gas measured through a single meter is used for more than one class of service as here defined, as for example, for both commercial and residential purposes, assign the total to the class having the principal use.

Average Number of Customers. Number of customers should be reported on the basis of number of meters, plus number of flat-rate accounts, except that where separate meter readings are added for billing purposes, one customer shall be counted for code group of meters so added. The average number of customers means the average of the 12 fi General Ledger, Supple Page 11 & 12

Thousands of Cubic Feet or Therms Sold (Indicate which one by crossing out the one that does not apply). Give net figures, exclusive of respondent's own use and losses.

Revenues. This term covers revenues derived from (a) Sale of Gas (exclusive of forfeited discounts and penalties) and (b) Other Gas Revenues, such as rent from gas property, interdepartmental rents, customers' forfeited discounts and penalties, servicing of customers' installations and miscellaneous gas revenues.

AB. Residential Service. This class includes all sales of gas for residential uses such as cooking, refrigeration, water heating, space heating and other domestic uses.

A. Residential Service. This class includes all sales of gas for residential uses except space heating.

B. Residential Space Heating. This class includes all sales of gas for space heating including gas for other residential uses only when measured through the same meter.

CD. Commercial Service. This class includes service rendered primarily to commercial establishments such as restaurants, hotels, clubs, hospitals, recognized rooming and boarding houses, apartment houses (but not individual tenants therein), garages, churches, warehouses, etc.

C. Commercial Service. This class includes all sales of gas for commercial use except space heating.

D. Commercial Space Heating. This class includes all sales of gas for space heating including gas for other commercial uses only when measured through the same meter.

E. Industrial Service. This class includes service rendered primarily to manufacturing and industrial establishments where gas is used principally for large power, heating and metallurgical purposes.

F. Public Street and Highway Lighting. Covers service rendered to municipalities or other governmental units for the purpose of lighting streets, highways, parks and other public places.

G. Other Sales to Public Authorities. Covers service rendered to municipalities or other governmental units for lighting, heating, cooking, water heating and other general uses.

H. Interdepartmental Sales. This class includes gas supplied by the gas department to other departments of the utility when the charges therefore are at tariff or other specific rates.

I. Other Sales. This class includes all service to ultimate consumers not included in the foregoing described classifications.

*** A - I. Total sales to Ultimate Consumers.** This is the total of the foregoing described classifications.

J. Sales to Other Gas Utilities for Resale. This class includes all sales of gas to other gas utilities or to public authorities for resale to ultimate consumers.

K. Other Gas Revenues. Revenues derived from operations of the respondent other than sales of gas. They include rent from gas property, interdepartmental rents, customers' forfeited discounts and penalties, services of customers' installations and miscellaneous gas revenues, such as fees and charges for changing, connecting and disconnecting service, profit on sales of materials and supplies not ordinarily purchased for resale, commissions on sales or distribution of others' gas (sold under rates filed by such others), management or supervision fees, sale of steam (except where the respondent furnishes steam-heating service) and rentals from leased property on customers' premises.

*** A - K. Total Gas Operating Revenues.** The total of all the foregoing accounts.

Separate Schedules for Each State. Separate schedules in this section should be filed for each state in which the respondent operates.

Estimates. If actual figures are not available for the schedules in this section, give estimates. Explain the methods used and the factual basis of the estimates, using supplementary sheets, if necessary.

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2011		
625-A. SALES DATA FOR THE YEAR							
(For the State of Michigan)							
Line No.	Class of Service	Average Number of Customers per month	Gas Sold Mcf*	Revenue (Show to nearest dollar)	AVERAGES		
					Mcf* per Customer	Revenue Per Customer	Revenue per Mcf*
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	AB. Residential service						
2	A. Residential service	17,229	977,891	\$10,385,712	56.76	\$602.80	\$10.62
3	B. Residential space heating service	928,145	93,947,558	\$902,877,771	101.22	972.78	9.61
4	CD. Commercial service						
5	C. Commercial service, except space heating	3,308	1,230,164	\$11,303,625	371.88	3,417.06	9.19
6	D. Commerical service	59,893	21,972,617	\$202,775,277	366.86	3,385.63	9.23
7	E. Industrial service	332	811,601	\$6,652,861	2,444.58	20,038.74	8.20
8	F. Public Street & highway lighting	0	0	0	N/M	0	N/M
9	G. Other Sales to Public Authorities						
10	H. Gas Customer Choice (1)	0	1,009,780	\$6,095,137			6.04
11	I. Other sales						
12	A-I. Total sales to ultimate customers	1,008,907	119,949,611	1,140,090,383	118.89	\$1,130.03	\$9.50
13	J. Sales to other gas utilities for resale	0	0	0	N/M	N/M	0.00
14	A-J. TOTAL SALES OF GAS	1,008,907	119,949,611	\$1,140,090,383	118.89	\$1,130.03	\$9.50
15	K. Other gas revenues			\$370,653,233			
16	A-K. TOTAL GAS OPERATING REVENUE			\$1,510,743,616			

* Report Mcf on a pressure base of 14.65 psia dry and a temperature base of 60°F. Give two decimals.

(1) Gas Customer Choice revenue and volumes associated with reconciliation.

NOTE: Revenue; columns d, f and g are net of prior period refunds and revenue deferred under certain surcharge programs (see page 305C).

625-B. SALES DATA BY RATE SCHEDULES FOR THE YEAR

- Report below the distribution of customers, sales and revenue for the year by individual rate schedules.
(See definitions on first page of this section).
- Column (a).--List all rate schedules by identification number or symbol. Where the same rate schedule designation applies to different rates in different zones, cities or districts, list separately data for each such area in which the schedule is available.
- Column (b).--Give the type of service to which the rate schedule is applicable, i.e., cooking, space heating, commercial heating, commercial cooking, etc.
- Column (c).--Using the classification shown in Schedule 625A, column (a), indicate the class or classes of customers served under each rate schedule, e.g., (A) for Residential Service, (B) Heating Service, etc.
- Column (d).--Give the average number of customers billed under each rate schedule during the year. The total of this column will approximate the total number of ultimate customers, line 12, Schedule 625A, page 305B.
- Columns (e) and (f).--For each rate schedule listed, enter the total number of Mcf sold to, and revenues received from customers billed under that rate schedule. The totals of these columns should equal the totals shown on line 12, Schedule 625A. If the utility sells gas to ultimate customers under special contracts, the General Ledger, Supple Page 11 & 12
(f) check with those entered on line 12 Schedule 625A.
- When a rate schedule was not in effect during the entire year, indicate in a footnote the period in which it was effective.

Line No.	Rate schedule designation (a)	Type of service to which schedule is applicable (b)	Class of service (c)	Average number of customers per month (d)	Mcf Sold* (e)	Revenue (Show to nearest dollar) (f)
1	Total Integrated Natural Gas System:					
2	Rate GS-1	General Service	C,D&E	63,474	23,786,216	\$218,151,480
3	Rate A	Res.& Res. Heat use	A&B	917,548	91,708,969	872,389,130
4	Rate 2A	Res.& Res. Heat use	A&B	4,794	3,417,884	29,528,449
5	Rate AS	Res.& Res. Heat use	A&B	23,031	2,695,691	24,915,558
6	Rate GS-2	Comm. & Ind. use	C, D&E	26	693,220	6,043,140
7	Rate S	Comm. Heating - Schools	D	33	230,171	1,800,028
8						
9	Customer Refunds					0
10	Surcharges:	Energy Optimization				22,783,277
11		MichCon Conservation Co.				0
12						
13						
14						
15						
16						
17	Gas Customer Choice		A,B,C,D,E		1,009,780	6,095,137
18	Total Unbilled				(3,592,320)	(41,615,816)
19						
20	Total Company			1,008,906	119,949,611	\$1,140,090,383

* Volume reported at 14.65 psia dry and a temperature base of 60° F.

625-B. CUSTOMER CHOICE SALES DATA BY RATE SCHEDULES

- 1 Report below the distribution of customers, sales and revenues for the year by individual rate schedules.
- 2 Column (a): List all rates schedules by identification number or symbol. Where the same rate schedule designation applies to different rates in different zones, cities or districts, list separately data for each such area in which the schedule is available.
- 3 Column (b): Give the type of service to which the rate schedule is applicable, i.e. cooking, space heating, commercial heating, etc.
- 4 Column (c): Using the classification shown on Page 305B, column (a), indicate the class or classes of customers served under each rate schedule, e.g. (A) for Residential Service, (B) Heating Service, etc.
- 5 Column (d): Give the average number of customers billed under each rate schedule during the year.
- 6 Columns (e) and (f): For each rate schedule listed, enter the total number of Mcf sold to, and revenues received from, customers billed under that rate schedule.
- 7 When a rate schedule was not in effect during the entire year, indicate in a footnote the period in which it was effective.

Line No.	Rate schedule designation (a)	Type of service to which schedule is applicable (b)	Class of service (c)	Average number of customers per month (d)	Mcf Sold* (e)	Revenue (Show to nearest dollar) (f)
1	Choice Customers on Integrated Natural Gas System:					
2	Rate GS-1	General Service	C,D&E	24,720	14,997,885	\$43,645,163
3	Rate A	Res. & Res. Heat use	A&B	170,246	17,952,106	\$62,245,194
4	Rate 2A	Res. & Res. Heat use	A&B	2,553	2,538,268	\$6,595,328
5	Rate AS	Res. & Res. Heat use	A&B	6,069	748,410	\$2,422,086
6	Rate GS-2	Comm. & Ind. use	C, D&E	22	813,188	\$1,656,272
7	Rate S	Comm. Heating - Schools	D	64	616,504	\$1,097,636
8						
9	Program Year-End Reconciliation				(1,009,780)	
10						
11	Choice Unbilled				(799,747)	(\$1,864,280)
12						
13	Energy Optimization Surcharge					\$6,102,718
14						
15						
16						
17						
18						
19						
20	Total Company			203,674	35,856,834	\$121,900,117

* Volume reported at 14.65 psia dry and a temperature base of 60° F.

REVENUE FROM TRANSPORTATION OF GAS OF OTHERS-NATURAL GAS (Account 489)

1. Report below particulars (details) concerning revenue from transportation or compression (by respondent) of natural gas for others. Subdivide revenue between transportation or compression for interstate pipeline companies and others.
2. Natural gas means either natural gas unmixed, or any mixture of natural and manufactured gas. Designate with an asterisk, however, if gas transported or compressed is other than natural gas.
3. Enter the average number of customers per company and/or by rate schedule.
4. In column (a) include the names of companies from which revenues were derived, points of receipt and delivery, and names of companies from which gas was received and to which delivered. Also specify the Commission order or regulation authorizing such transaction.

Line No.	Name of Company and Description of Service Performed (Designate associated companies with an asterisk) (a)	Average Number of Customers per Month (b)	Distance Transported (In miles) (c)
1	Account 489.3		
2	ST	486	Various
3	LT	115	Various
4	XLT	19	Various
5	XXLT	1	Various
6	Special Contract - Customer A	1	Various
7	Special Contract - Customer B	1	Various
8	Special Contract - Customer C	1	Various
9	Aggregates	799	
10	Other (includes Liquidated Damages, Standby Charges, EO Surcharge and other)		Various
11	Total End User Transportation	1,423	Various
12	Gas Customer Choice	203,674	Various
13	Choice supplier revenue - adjustments + billing fees		
14	TOTAL INTRASTATE TRANSPORTATION	205,097	
15			
16	Exelon - INTERSTATE TRANSPORTATION	2,264	
17	TOTAL ACCOUNT 489.3		
18			
19	ACCOUNT 489.2		
20	INTRASTATE TRANSPORTATION		
21	Consumers Energy	1	Various
22	Glencore	1	Various
23	Hess Energy	1	Various
24	J Aron	1	Various
25	Various Intrastate	25	Various
26	TOTAL INTRASTATE TRANSPORTATION		
27	INTERSTATE TRANSPORTATION		
28	ANR Pipeline Company (1) & (7)	1	142 Miles
29	BG Energy Merchants (5)	1	Various
30	BP Canada Energy (5)	1	Various
31	CIMA Energy (5)	1	Various
32	Citigroup (5)	1	Various
33	*DTE Energy Trading (5)	1	Various
34	Enterprise Products Operating LLC (5)	1	Various
35	Gavilon LLC (5)	1	Various
36	Iberdrola Renewables (5)	1	Various
37	JP Morgan Ventures (5)	1	Various
38	Macquarie Cook (5)	1	Various
39	Mieco, Inc (5)	1	Various
40	National Fuel Marketing (5)	1	Various
41	Nextera Energy (5)	1	Various
42	Nicor Enerchange (5)	1	
43	NJR Services (5)	1	Various
44	Oneok (5)	1	
45	Panhandle Easter Pipeline (5)	1	Various
46	Powerex (5)	1	
47	Repsol (5)	1	
48	Sequent Energy Canada (5)	1	
49	Sequent Energy Management (5)	1	Various
50	Shell Energy NA (5)	1	Various
51	Societe Generale (5)	1	Various
52	Tenaska Marketing Ventures (5)	1	Various
53	Tidal Energy Marketing (5)	1	Various
54	Unioin Gas (5)	1	
55	Wisconsin Gas (5)	1	Various
56	Wisconsin Public Service (5)	1	Various
57	Various Interstate	6	Various
58	Title Transfer Charges		
59	TOTAL INTERSTATE TRANSPORTATION		
60	TOTAL ACCOUNT 489.2		
61			
TOTAL		207,425	

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2011	
REVENUE FROM TRANSPORTATION OF GAS OF OTHERS-NATURAL GAS (Account 489)(Continued)						
4. Designate points of receipt and delivery so that they can be identified on map of the respondent's pipe line system.						
5. Enter Mcf at 14.65 psia at 60°F.						
6. Minor items (less than 1,000,000 Mcf) may be grouped.						
"Note: For transportation provided under Part 284 of Title 18 of the Code of Federal Regulations, report only grand						
totals for all transportation in columns (b) through (g) for the following regulation sections to be listed in column (a):						
284.102, 284.122, 284.222, 284.223(a), 284.223(b) and 284.224. Details for each transportation are reported in						
separate annual reports required under Part 284 of the Commission's regulation."						
Mcf of Gas Received (d)	Mcf of Gas Delivered (e)	Revenue (f)	Average Revenue per Mcf of Gas Delivered (In cents) (g)	FERC Tariff Rate Schedule Designation (h)	Line No.	
					1	
	17,280,203	\$24,924,889	144.24 ¢		2	
	32,779,793	\$23,085,972	70.43 ¢		3	
	26,712,488	\$14,666,869	54.91 ¢		4	
	10,803,799	\$3,124,312	28.92 ¢		5	
	12,528,088	\$2,866,106	22.88 ¢		6	
	2,606,320	\$2,576,178	98.84 ¢		7	
	584,560	\$3,343,054	571.89 ¢		8	
	2,039,977	\$4,929,612	241.65 ¢		9	
	41,255	\$5,673,061			10	
106,740,329	105,376,483	\$85,190,053	80.84 ¢		11	
37,062,425	35,856,834	\$121,900,117	339.96 ¢		12	
		\$1,385,941			13	
143,802,754	141,233,317	\$208,476,111	147.61		14	
					15	
5,679,443	5,312,410	\$4,209,996	79.25		16	
149,482,197	146,545,727	\$212,686,107			17	
					18	
					19	
					20	
2,378,848	2,379,338	\$696,168	29.26 (8)		21	
1,190,986	1,190,986	\$134,700	11.31 ¢		22	
1,332,147	1,333,049	\$133,183	9.99 ¢		23	
1,415,954	1,416,461	\$127,359	8.99 (8)		24	
4,387,473	4,408,636	\$623,274	14.14 ¢		25	
10,705,408	10,728,470	\$1,714,684			26	
					27	
66,595,734	66,595,734	\$17,379,501	26.10 (8)	ST92-1997/ST93-4518	28	
5,374,307	5,374,391	\$586,581	10.91 (8)		29	
20,233,394	20,235,809	\$1,780,317	8.80		30	
19,455,888	19,455,887	\$2,026,342	10.42 (8)		31	
3,025,309	3,025,309	\$329,047	10.88		32	
12,562,715	12,562,717	\$1,386,871	11.04		33	
4,024,717	4,024,722	\$440,128	10.94		34	
1,459,150	1,459,150	\$642,391	44.02 (8)		35	
5,545,654	5,545,654	\$696,994	12.57 (8)		36	
2,435,787	2,435,767	\$249,164	10.23		37	
1,676,513	1,676,527	\$1,042	0.06		38	
3,306,859	3,306,858	\$363,977	11.01		39	
2,470,419	2,470,435	\$247,201	10.01		40	
1,360,889	1,360,889	\$157,106	11.54		41	
1,378,047	1,378,046	\$61,266	4.45		42	
1,699,196	1,698,951	\$172,387	10.15 (8)		43	
4,417,895	4,417,910	\$569,916	12.90		44	
21,169,972	21,169,972	\$6,510,000	30.75 (8)		45	
5,987,767	5,987,767	\$750,727	12.54		46	
3,518,708	3,518,794	\$434,552	12.35		47	
6,754,802	6,754,802	\$887,480	13.14		48	
4,163,871	4,143,159	\$530,545	12.80		49	
3,982,933	3,982,933	\$446,517	11.21 (8)		50	
1,044,215	1,044,215	\$96,841	9.27 (8)		51	
10,059,967	10,059,967	\$1,220,367	12.13 (8)		52	
28,575,164	28,575,174	\$3,868,277	13.54 (8)		53	
4,496,382	4,496,382	\$191,519	4.26		54	
5,095,929	5,095,929	\$3,871,460	75.97 (8)		55	
3,049,543	3,049,543	\$2,231,020	73.16 (8)		56	
2,219,968	2,215,239	\$2,692,062	121.52 (8)		57	
		\$1,548,421			58	
257,141,694	257,118,632	\$52,370,021			59	
267,847,102	267,847,102	\$54,084,706			60	
					61	
417,329,299	414,392,829	\$266,770,813				

- (1) Point of Receipt: Volumes of gas received from ANR Pipeline Company at their Willow Run Meter Station, Ypsilanti Township, Washtenaw County Michigan.

- (1) Point of Delivery: Volumes of gas delivered to ANR Pipeline Company at their W.G. Woolfolk Compressor Station, Austin Township, Mecosta County, Michigan.

- (2) Point of Receipt: Volumes of gas received at Willow, Belle River, or Kalkaska.

- (2) Point of Delivery: Volumes of gas delivered at Union - Dawn

- (3) Point of Receipt: Volumes of gas received at various locations on the Alpena transmission line

- (3) Point of Delivery: Volumes of gas delivered to Willow, E. Caledonia or Mentor.

- (4) Point of Receipt: Volumes of gas received at Willow

- (4) Point of Delivery: Volumes of gas delivered to the Washington Township

- (5) Point of Receipt: Volumes of gas received from ANR, Great Lakes, Consumers Energy, Shell Oil Company, and PEPL at their various ANR, Belle River, Northville, Kalkaska, and Rouge facilities respectively.

- (5) Point of Delivery: Volumes of gas delivered to Michigan Gas Utilities, Union Gas, Ltd., Great Lakes, or PEPL at their various ANR, Grand Haven, St. Clair, Belle River and Rouge facilities, respectively.

- (6) Point of Receipt: Volumes of gas received at various locations on the Alpena transmission line.

- (6) Point of Delivery: Volumes of gas delivered to West Branch/ Saginaw Bay.

- (7) Point of Receipt: Volumes of gas received from ANR Pipeline Company at their W.G. Woolfolk Compressor Station, Austin Township, Mecosta County, Michigan. (See Page 313C - F.E.R.C. Tariff Schedule ST93-4518)

- (7) Point of Delivery: Volumes of gas delivered to the interconnection between ANR Pipeline Company and Michigan Consolidated in Kalkaska County, Michigan. (See Page 313C - F.E.R.C. Tariff Schedule ST93-4518)

- (8) Includes demand charges that may or may not have volumes associated with the charge.

* Affiliated company

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REVENUES FROM STORING GAS OF OTHERS --NATURAL GAS (Account 489.4)

1. Report below particulars (details) concerning revenue from storage (by respondent) of natural gas for others. Subdivide revenue by intrastate or interstate entities
2. Natural gas means either natural gas unmixed, or any mixture of natural and manufactured gas.
3. Enter the average number of customers per company and/or by rate schedule.
4. In column (a) include the names of companies from which revenues were derived, points of receipt and delivery, and names of companies from which gas was received and to which delivered. Also specify the Commission order or regulation authorizing such transaction. Separate by individual rate schedule.

Line No.	Name of Company and Description of Service Performed (Designate associated companies with an asterisk) (a)	Average Number of Customers per Month (b)	MCF of Gas Injected (c)
1			
2			
3	INTRASTATE		
4			
5	Customer A	1	2,525,571
6	Customer B	1	17,559
7	Total Gas & Power North America	0	0
8	Misc. customers less than 1 Bcf	2	99,625
9	TOTAL INTRASTATE STORAGE	4	2,642,755
10			
11			
12			
13			
14			
15	INTERSTATE		
16	Customer C	1	900,000
17	Customer D	1	7,445,931
18	Customer E	1	1,012,100
19	Customer F	1	3,190,956
20	Customer G	1	13,121,100
21	Customer H	1	2,021,492
22	Customer I	1	14,565,700
23	Customer J	1	244
24	Customer K	1	1,000,182
25	Customer L	1	4,729,852
26	Customer M	1	3,008,737
27	Customer N	1	1,933,513
28	Customer O	1	6,156,869
29	Customer P	1	8,155,812
30	Customer Q	1	1,860,000
31	Customer R	1	2,047,000
32	Customer S	1	5,346,275
33	Customer T	1	2,494,822
34	Misc. customers less than 1 Bcf	3	1,027,300
35	TOTAL INTERSTATE STORAGE	21	80,017,885
36			
37			
38			
39			
40			
41			
42			
43			
44			
45			
46			
47			
48			
49			
50			
TOTAL		25	82,660,640

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011	
REVENUES FROM STORING GAS OF OTHERS --NATURAL GAS (Account 489.4)					
4. Designate points of receipt and delivery so that they can be identified on map of the respondent's pipe line system.					
5. Enter Mcf at 14.65 psia at 60°F.					
6. Minor items (less than 1,000,000 Mcf) may be grouped.					
Mcf of Gas Withdrawn (d)	Revenue (f)	Average Revenue per Mcf of Gas Injectd/Withdrawn (In cents) (g)	FERC Tariff Rate Schedule Designation (h)	Line No.	
				1	
			Rate Schedule:	2	
			Contract Storage (CS)	3	
				4	
1,824,700	\$3,953,830	2.17 ¢		5	
1,697,765	\$1,350,583	0.80 ¢		6	
0	\$0	#DIV/0!		7	
87,901	\$1,196,153	13.61 ¢		8	
3,610,366	\$6,500,566	1.80 ¢		9	
				10	
				11	
				12	
				13	
				14	
				15	
1,542,000	\$393,300	0.26 ¢		16	
3,035,000	\$1,316,647	0.43 ¢		17	
1,012,100	\$50,123	0.05 ¢		18	
2,674,973	\$2,007,649	0.75 ¢		19	
13,131,900	\$2,927,735	0.22 ¢		20	
1,508,512	\$647,163	0.43 ¢		21	
9,435,700	\$1,663,080	0.18 ¢		22	
1,312,461	\$260,088	0.20 ¢		23	
182	\$958,242	5,265.06 ¢		24	
5,119,349	\$3,477,627	0.68 ¢		25	
348,735	\$1,566,250	4.49 ¢		26	
933,513	\$757,286	0.81 ¢		27	
1,526,554	\$4,603,336	3.02 ¢		28	
6,464,298	\$1,738,882	0.27 ¢		29	
1,860,000	\$217,000	0.12 ¢		30	
825,496	\$1,919,646	2.33 ¢		31	
5,222,147	\$2,643,383	0.51 ¢		32	
2,277,327	\$1,317,141	0.58 ¢		33	
1,488,990	\$330,143	0.22 ¢		34	
59,719,237	\$28,794,720	0.48 ¢		35	
				36	
				37	
				38	
				39	
				40	
				41	
				42	
				43	
Note: Average Revenues (column I) are total Revenues divided by Withdrawn volumes				44	
				45	
				46	
				47	
				48	
				49	
63,329,603	\$35,295,285	0.56 ¢		50	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011	
GAS OPERATION AND MAINTENANCE EXPENSES					
If the amount for previous year is not derived from previously reported figures, explain in footnote.					
Line No.	Account (a)	Amount for Current Year 2011		Amount for Previous Year 2010	
1	1. PRODUCTION EXPENSES				
2	A. Manufactured Gas Production				
3	Manufactured Gas Production (Submit Supplemental Statement) (1)				
4	B. Natural Gas Production				
5	B1. Natural Gas Production and Gathering				
6	Operation				
7	750 Operation Supervision and Engineering				
8	751 Production Maps and Records				
9	752 Gas Wells Expenses				
10	753 Field Lines Expenses				
11	754 Field Compressor Station Expenses				
12	755 Field Compressor Station Fuel and Power				
13	756 Field Measuring and Regulating Station Exps.				
14	757 Purification Expenses				
15	758 Gas Well Royalties				
16	759 Other Expenses				
17	760 Rents				
18	TOTAL Operation (Enter Total lines 7 thru 17)		-		-
19	Maintenance				
20	761 Maintenance Supervision and Engineering				
21	762 Maintenance of Structures and Improvements				
22	763 Maintenance of Producing Gas Wells				
23	764 Maintenance of Field Lines				
24	765 Maintenance of Field Compressor Station Equip.				
25	766 Maintenance of Field Meas. & Reg. Sta. Equip.				
26	767 Maintenance of Purification Equipment				
27	768 Maintenance of Drilling and Cleaning Equipment				
28	769 Maintenance of Other Equipment				
29	TOTAL Maintenance (Enter Total of lines 20 - 28)		-		-
30	TOTAL Natural Gas Production and Gathering (Enter Total of lines 18 and 29)		-		-
31	B2. Products Extraction				
32	Operation				
33	770 Operation Supervision and Engineering				
34	771 Operation Labor				
35	772 Gas Shrinkage				
36	773 Fuel				
37	774 Power				
38	775 Materials				
39	776 Operation Supplies and Expenses				
40	777 Gas Processed by Others				
41	778 Royalties on Products Extracted				
42	779 Marketing Expenses				
43	780 Products Purchases for Resale				
44	781 Variation in Products Inventory				
45	(Less) 782 Extracted Products Used by the Utility-Cr.				
46	783 Rents				
47	TOTAL Operation (Enter Total of lines 33 thru 46)	\$	-	\$	-

GAS OPERATION AND MAINTENANCE EXPENSES

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year 2011	Amount for Previous Year 2010
	B2. Products Extraction (Continued)		
48	Maintenance		
49	784 Maintenance Supervision and Engineering		
50	785 Maintenance of Structures and Improvements		
51	786 Maintenance of Extraction and Refining Equip.		
52	787 Maintenance of Pipe Lines		
53	788 Maintenance of Extracted Products Storage Equip.		
54	789 Maintenance of Compressor Equipment		
55	790 Maintenance of Gas Measuring and Reg. Equipment		
56	791 Maintenance of Other Equipment		
57	TOTAL Maintenance (Enter Total of lines 49 - 56)	-	-
58	TOTAL Products Extraction (Enter Total of lines 47 and 57)	-	-
59	C. Exploration and Development		
60	Operation		
61	795 Delay Rentals		
62	796 Nonproductive Well Drilling		
63	797 Abandoned Leases		
64	798 Other Exploration		
65	TOTAL Exploration and Development (Enter Total of lines 61 thru 64)	-	-
66	D. Other Gas Supply Expenses		
67	Operation		
68	800 Natural Gas Well Head Purchases		
69	801 Natural Gas Field Line Purchases		
70	802 Natural Gas Gasoline Plant Outlet Purchases		
71	803 Natural Gas Transmission Line Purchases	690,920,955	805,390,044
72	804 Natural Gas City Gate Purchases	62,242,750	73,498,410
73	804.1 Liquefied Natural Gas Purchases		
74	805 Other Gas Purchases		
75	(Less) 805.1 Purchased Gas Cost Adjustments		
76	(Less) 805.2 Incremental Gas Cost Adjustments		
77	TOTAL Purchased Gas (Enter Total of lines 67 - 76)	753,163,705	878,888,454
78	806 Exchange Gas	(1,029,122)	(3,655,127)
79	Purchased Gas Expenses		
80	807.1 Well Expenses - Purchased Gas		
81	807.2 Operation of Purchased Gas Measuring Stations		
82	807.3 Maintenance of Purchased Gas Measuring Stations		
83	807.4 Purchased Gas Calculations Expenses		
84	807.5 Other Purchased Gas Expenses		
85	TOTAL Purchased Gas Expenses (Enter Total of lines 80 thru 84)	-	-
86	808.1 Gas Withdrawn from Storage - Debit	45,666,437	131,852,317
87	(Less) 808.2 Gas Delivered to Storage - Credit	54,954,726	131,552,041
88	809.1 Withdrawals of Liquefied Natural Gas for Processing - Debit		
89	(Less) 809.2 Deliveries of Natural Gas for Processing - Credit		
90	(Less) Gas Used in Utility Operations - Credit		
91	810 Gas Used for Compressor Station Fuel - Credit	9,999,845	9,581,121
92	811 Gas Used for Products Extraction - Credit		
93	812 Gas Used for Other Utility Operations - Credit	4,315,326	5,854,181
94	TOTAL Gas Used in Utility Operations - Credit (Enter Total of lines 91 thru 93)	14,315,171	15,435,302
95	813 Other Gas Supply Expenses		
96	TOTAL Other Gas Supply Expenses (Enter Total of lines 77, 78, 85, 86 thru 89, 94, 95)	728,531,123	860,098,301
97	TOTAL Production Expenses (Enter Total of lines 30, 58, 65, and 96)	\$ 728,531,123	\$ 860,098,301

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2011	
GAS OPERATION AND MAINTENANCE EXPENSES				
Line No.	Account (a)	Amount for Current Year 2011	Amount for Current Year 2010	
98	2. NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES			
99	A. Underground Storage Expenses			
100	Operation			
101	814 Operation Supervision and Engineering	-		
102	815 Maps and Records			
103	816 Wells Expenses	553,161	817,106	
104	817 Lines Expense	10,415	7,032	
105	818 Compressor Station Expenses	2,705,612	2,689,268	
106	819 Compressor Station Fuel and Power	8,082,632	7,608,492	
107	820 Measuring and Regulating Station Expenses	(11,862)	(8,499)	
108	821 Purification Expenses			
109	822 Exploration and Development			
110	823 Gas Losses	2,053,553	1,450,873	
111	824 Other Expenses	269,536	183,025	
112	825 Storage Well Royalties	144,352	160,559	
113	826 Rents			
114	TOTAL Operation (Enter Total of lines 101 - 113)	13,807,399	12,907,856	
115	Maintenance			
116	830 Maintenance Supervision and Engineering	831,841	1,183,287	
117	831 Maintenance of Structures and Improvements			
118	832 Maintenance of Reservoirs and Wells	532,742	336,286	
119	833 Maintenance of Lines	213,892	213,155	
120	834 Maintenance of Compressor Station Equipment	2,788,037	2,598,890	
121	835 Maintenance of Measuring and Regulating Station Equipment			
122	836 Maintenance of Purification Equipment			
123	837 Maintenance of Other Equipment	-	-	
124	TOTAL Maintenance (Enter Total of lines 116 thru 123)	4,366,512	4,331,618	
125	TOTAL Underground Storage Expenses (Enter Total of lines 114 and 124)	18,173,911	17,239,474	
126	B. Other Storage Expenses			
127	Operation			
128	840 Operation Supervision and Engineering			
129	841 Operation Labor and Expenses			
130	842 Rents			
131	842.1 Fuel			
132	842.2 Power			
133	842.3 Gas Losses			
134	TOTAL Operation (Enter Total of lines 128 - 133)	-	-	
135	Maintenance			
136	843.1 Maintenance Supervision and Engineering			
137	843.2 Maintenance of Structures and Improvements			
138	843.3 Maintenance of Gas Holders			
139	843.4 Maintenance of Purification Equipment			
140	843.5 Maintenance of Liquefaction Equipment			
141	843.6 Maintenance of Vaporizing Equipment			
142	843.7 Maintenance of Compressor Equipment			
143	843.8 Maintenance of Measuring & Regulating Equip.			
144	843.9 Maintenance of Other Equipment			
145	TOTAL Maintenance (Enter Total of lines 136 thru 144)	-	-	
146	TOTAL Other Storage Expenses (Enter Total of lines 134 and 145)	\$ -	\$ -	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2011	
GAS OPERATION AND MAINTENANCE EXPENSES				
Line No.	Account (a)	Amount for Current Year 2011	Amount for Current Year 2010	
147	C. Liquefied Natural Gas Terminating and Processing Expenses			
148	Operation			
149	844.1 Operation Supervision and Engineering			
150	844.2 LNG Processing Terminal Labor and Expenses			
151	844.3 Liquefaction Processing Labor and Expenses			
152	844.4 Liquefaction Transportation Labor and Expenses			
153	844.5 Measuring and Regulating Labor and Expenses			
154	844.6 Compressor Station Labor and Expenses			
155	844.7 Communication System Expenses			
156	844.8 System Control and Load Dispatching			
157	845.1 Fuel			
158	845.2 Power			
159	845.3 Rents			
160	845.4 Demurrage Charges			
161	(Less) 845.5 Wharfage Receipts - Credit			
162	845.6 Processing Liquefied or Vaporized Gas by Others			
163	846.1 Gas Losses			
164	846.2 Other Expenses			
165	TOTAL Operation (Enter Total of lines 149 - 164)		-	-
166	Maintenance			
167	847.1 Maintenance Supervision and Engineering			
168	847.2 Maintenance of Structures and Improvements			
169	847.3 Maintenance of LNG Processing Terminal Equip.			
170	847.4 Maintenance of LNG Transportation Equipment			
171	847.5 Maintenance of Measuring and Regulating Equip.			
172	847.6 Maintenance of Compressor Station Equipment			
173	847.7 Maintenance of Communication Equipment			
174	847.8 Maintenance of Other Equipment			
175	TOTAL Maintenance (Enter Total of lines 167 thru 174)			
176	TOTAL Liquefied Natural Gas Terminating and Processing Expenses (Lines 165 & 175)			
177	TOTAL Natural Gas Storage (Enter Total of lines 125, 146, and 176)	18,173,911	17,239,474	
178	3. TRANSMISSION EXPENSES			
179	Operation			
180	850 Operation Supervision and Engineering	2,850,875	3,233,500	
181	851 System Control and Load Dispatching	1,274,370	1,817,216	
182	852 Communication System Expenses			
183	853 Compressor Station Labor and Expenses	1,021,703	971,787	
184	854 Gas for Compressor Station Fuel	2,253,872	2,287,018	
185	855 Other Fuel and Power for Compressor Stations			
186	856 Mains Expenses	2,160,300	1,715,565	
187	857 Measuring and Regulating Station Expenses	776,121	762,188	
188	858 Transmission and Compression of Gas by Others	5,643,396	7,879,697	
189	859 Other Expenses	5,978,718	4,941,607	
190	860 Rents			
191	TOTAL Operation (Enter Total of lines 180 - 190)	\$ 21,959,355	\$ 23,608,578	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2011	
GAS OPERATION AND MAINTENANCE EXPENSES				
Line No.	Account (a)	Amount for Current Year 2011	Amount for Current Year 2010	
	3. TRANSMISSION EXPENSES (Continued)			
192	Maintenance			
193	861 Maintenance Supervision and Engineering			
194	862 Maintenance of Structures and Improvements			
195	863 Maintenance of Mains	993,031	970,335	
196	864 Maintenance of Compressor Station Equipment	596,968	466,945	
197	865 Maintenance of Measuring & Reg. Station Equip.	56,417	44,580	
198	866 Maintenance of Communication Equipment	4,677,641	5,365,070	
199	867 Maintenance of Other Equipment			
200	TOTAL Maintenance (Enter Total lines 193 - 199)	6,324,057	6,846,930	
201	TOTAL Transmission Expenses (Enter Total of lines 191 and 200)	28,283,412	30,455,508	
202	4. DISTRIBUTION EXPENSES			
203	Operation			
204	870 Operation Supervision and Engineering			
205	871 Distribution Load Dispatching			
206	872 Compressor Station Labor and Expenses			
207	873 Compressor Station Fuel and Power			
208	874 Mains and Services Expenses	15,775,255	15,288,013	
209	875 Measuring & Regulating Station Exps.-General	699,894	671,251	
210	876 Measuring & Regulating Station Exps.-Industrial			
211	877 Measuring & Regulating Station Exps.-City Gate Check Station	2,353,028	2,832,868	
212	878 Meter and House Regulator Expenses	11,969,191	12,629,972	
213	879 Customer Installations Expenses	17,591,869	17,081,066	
214	880 Other Expenses	15,619,088	14,202,382	
215	881 Rents			
216	TOTAL Operation (Enter Total of lines 204 - 215)	64,008,325	62,705,552	
217	Maintenance			
218	885 Maintenance Supervision and Engineering			
219	886 Maintenance of Structures and Improvements			
220	887 Maintenance of Mains	8,234,228	8,417,810	
221	888 Maintenance of Compressor Station Equipment			
222	889 Maintenance - Meas & Reg Sta. Equip.-General	3,006,648	3,275,335	
223	890 Maintenance - Meas & Reg Sta. Equip.-Industrial			
224	891 Maintenance - Meas & Reg Sta. Equip.-City Gate Check Station	761,315	1,222,043	
225	892 Maintenance of Services	3,055,646	2,784,885	
226	893 Maintenance of Meters and House Regulators	3,208,009	3,950,581	
227	894 Maintenance of Other Equipment	667,330	204,837	
228	TOTAL Maintenance (Enter Total of lines 218 - 227)	18,933,176	19,855,491	
229	TOTAL Distribution Expenses (Enter Total of lines 216 and 228)	82,941,501	82,561,043	
230	5. CUSTOMER ACCOUNTS EXPENSES			
231	Operation			
232	901 Supervision	977,198	3,395,069	
233	902 Meter Reading Expenses	9,979,132	10,377,935	
234	903 Customer Records and Collection Expenses	37,151,223	36,945,315	
235	904 Uncollectible Accounts	45,834,215	58,432,068	
236	905 Miscellaneous Customer Accounts Expenses	11,133,084	5,764,280	
237	TOTAL Customer Accounts Expenses (Enter Total of lines 232 thru 236)	\$ 105,074,852	\$	114,914,667

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011	
GAS OPERATION AND MAINTENANCE EXPENSES					
Line No.	Account (a)	Amount for Current Year 2011		Amount for Current Year 2010	
238	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES				
239	Operation				
240	907 Supervision	\$ 331,141		\$ 419,207	
241	908 Customer Assistance Expenses	14,216,268		11,836,232	
242	909 Informational and Instructional Expenses	580,733		304,600	
243	910 Miscellaneous Customer Service and Info. Exps.	1,394,843		1,214,644	
244	TOTAL Customer Service and Information Expenses (Lines 240 thru 243)	16,522,985		13,774,683	
245	7. SALES EXPENSES				
246	Operation				
247	911 Supervision	-		-	
248	912 Demonstrating and Selling Expenses	17,993,287		15,884,102	
249	913 Advertising Expenses	-		-	
250	916 Miscellaneous Sales Expenses	348,204		88,361	
251	TOTAL Sales Expenses (Enter Total of lines 247 thru 250)	18,341,491		15,972,463	
252	8. ADMINISTRATIVE AND GENERAL EXPENSES				
253	Operation				
254	920 Administrative and General Salaries	36,057,104		33,148,791	
255	921 Office Supplies and Expenses	7,474,037		6,612,546	
256	(Less) 922 Administrative Expenses Transferred-Cr.	6,183,458		6,075,916	
257	923 Outside Services Employed	5,246,868		5,506,048	
258	924 Property Insurance	765,191		625,914	
259	925 Injuries and Damages	6,851,402		6,509,580	
260	926 Employee Pensions and Benefits	43,644,475		49,266,764	
261	927 Franchise Requirements				
262	928 Regulatory Commission Expenses	313,752		705,101	
263	(Less) 929 Duplicate Charges - Cr.				
264	930.1 General Advertising Expenses	2,563,528		2,474,002	
265	930.2 Miscellaneous General Expenses	4,135,254		2,339,658	
266	931 Rents	18,077,595		21,096,806	
267	TOTAL Operation (Enter Total of lines 254 - 266)	118,945,748		122,209,294	
268	Maintenance				
269	932 Maintenance of General Plant	1,060,990		1,253,623	
270	TOTAL Administrative and General Expenses (Enter Total of lines 257 and 269)	120,006,738		123,462,917	
271	TOTAL Gas O. and M. Expenses (Lines 97, 177, 201, 229, 237, 244, 251 and 270)	\$ 1,117,876,013		\$ 1,258,479,056	
NUMBER OF GAS DEPARTMENT EMPLOYEES					
<p>1. The data on number of employees should be reported for the payroll period ending nearest to December 31, or any payroll period ending 60 days before or after December, 31.</p> <p>2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special construction employees in a footnote.</p> <p>3. The number of employees assignable to the gas department from joint functions of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees attributed to the gas department from joint functions.</p>					
1 Payroll Period Ended (Date)		12/31/11			
2 Total Regular Full-Time Employees		1,489			
3 Total Part-Time and Temporary Employees		40			
4 Total Employees		1,529			

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011	
EXCHANGE GAS TRANSACTIONS (Account 806, Exchange Gas)					
1. Report below particulars (details) concerning the gas volumes and related dollar amounts of natural gas exchange transactions during the year. Minor transactions (less than 100,000 Mcf) may be grouped. 2. Also give the particulars (details) called for concerning each natural gas exchange where consideration was received or paid in performance of gas exchange services.					
Line No.	Name of Company (Designate associated companies with an asterisk) (a)	Exchange Gas Received			
		Point of Receipt (City, state, etc.) (b)	Mcf (c)	Debit (Credit) Account 242 (d)	
1					
2	Consumers Energy Company	Received by Displacement	73,700		48,816
3					
4	ANR Pipeline Company				
5	Spot Purchases - Post Rate Order 636	Received by Cashout	-		-
6	Interconnect Balancing Agreement	Received by Displacement	543,878		-
7					
8	Union Gas	Received by Displacement	101,675		-
9					
10	Great Lakes Transmission Company	Received by Displacement	236,325		(40,328)
11					
12	Panhandle	Received by Displacement	148,428		15,566
13					
14	MGAT / Wet Header *	Received by Displacement	453,685		705,805
15					
16	Other Gas Utilities	Received by Displacement	155,309		(61,568)
17					
18	Vector Pipeline	Received by Displacement	958,919		(4,654)
19					
20	DTE Gas Storage Company *	Received by Displacement	1,577,579		461,179
21					
22	MichCon Gathering *	Received by Displacement	-		145,207
23					
24					
25					
26					
27					
28					
29					
30	Respondent records net exchange gas transactions monthly to account 242 or				
31	174 and account 806.				
32					
33					
34					
35					
36					
37					
38					
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40					
41					
42					
43					
44					
45	Total		4,249,498		1,270,023

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2011
EXCHANGE GAS TRANSACTIONS (Account 806, Exchange Gas) (Continued)					
3. List individually net transactions occurring during the year for each rate schedule.					
4. Indicate points of receipt and delivery of gas so that they may be readily identified on a map of the respondent's pipeline system.					
Exchange Gas Delivered			Excess Mcf Received or (Delivered) (h)	Debit (Credit) Account 806 (i)	Line No.
Point of Delivery (City, state, etc.) (e)	Mcf (f)	Debit (Credit) Account 174 (g)			
Delivered by Displacement	(83,981)	17,704	(10,281)	(66,520)	1
					2
					3
					4
Delivered by Cashout	-	-	-	-	5
Delivered by Displacement	(496,398)	(401,444)	47,480	401,444	6
					7
Delivered by Displacement	(85,696)	(116,054)	15,979	116,054	8
					9
Delivered by Displacement	(224,878)	(29,936)	11,447	70,264	10
					11
Delivered by Displacement	(185,286)	198,103	(36,858)	(213,669)	12
					13
Delivered by Displacement	(416,126)	-	37,559	(705,805)	14
					15
Delivered by Displacement	(151,614)	90,725	3,695	(29,157)	16
					17
Delivered by Displacement	(953,325)	-	5,594	4,654	18
					19
Delivered by Displacement	(1,642,792)	-	(65,213)	(461,179)	20
					21
Delivered by Displacement	(19,051)	-	(19,051)	(145,208)	22
					23
					24
					25
					26
					27
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					44
	(4,259,147)	(\$240,902)	(9,649)	(\$1,029,122)	45

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011		
EXCHANGE GAS TRANSACTIONS (Account 806, Exchange Gas) (Continued)						
5. Furnish any additional explanations needed to further explain the accounting for exchange gas transactions. 6. Report the pressure base of measurement of gas volumes at 14.73 psia at 60°F.						
Line No.	Name of Company (Designate associated companies with an asterisk) (a)	Charges Paid or Payable by Respondent		Revenues Received or Receivable by Respondent		FERC Tariff Rate Schedule Indentifi- cation (n)
		Amount (j)	Account (k)	Amount (l)	Account (m)	
1						
2	N/A					
3						
4						
5	N/A					
6	N/A					
7						
8	N/A					
9						
10	N/A					
11						
12	N/A					
13						
14	N/A					
15						
16	N/A					
17						
18	N/A					
19						
20	N/A					
21						
22	N/A					
23						
24						
25						
26	Imbalance fees on off-system transpor-			-	489	
27	-tation agreements.					
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45	Total	\$ -		\$ -		

MICHIGAN CONSOLIDATED GAS COMPANY			A ORIGINAL			DECEMBER 31, 2011	
GAS USED IN UTILITY OPERATIONS - CREDIT (Accounts 810, 811, 812)							
1. Report below particulars (details) of credits during the year to Accounts 810, 811 and 812 which offset charges to operating expenses or other accounts for the cost of gas from the respondent's own supply. 2. Natural gas means either natural gas unmixed, or any mixture of natural and manufactured gas. 3. If the reported Mcf for any use is an estimated quantity, state such fact in a footnote. 4. If any natural gas was used by the respondent for which a charge was not made to the appropriate operating expense or other account, list separately in column (c) the Mcf of gas used, omitting entries in columns (d) and (e). 5. Report pressure base of measurement of gas volumes at 14.73 psia at 60°F.							
Line No.	Purpose for Which Gas Was Used (a)	Account Charged (b)	Natural Gas			Manufactured Gas	
			Mcf of Gas Used (c)	Amount of Credit (d)	Amount per Mcf (In Cents) (e)	Mcf of Gas Used (f)	Amount of Credit (g)
	810 Gas Used for Compressor						
1	Station Fuel-Credit (Trans)	819	369,876	2,155,500	582.76 ¢		
2	Station Fuel-Credit (Storage)	854	1,316,250	7,847,216	596.18 ¢		
	Total account 810		1,686,126	10,002,716	593.24 ¢		
	811 Gas Used for Products						
3	Extraction-Credit		0	0	0.00		
	812 Gas Used for Other Utility Operations-Credit						
4	(Report sep. for each prin. use. Group minor uses.)						
5	Oper. of Dist. Service Bldgs. (Dist)	819, 854, 874, 877, 930.2	39,843	299,909	752.73		
6	Oper. of Undgr. Stg. Wells (Storage)	816	83,995	537,049	639.38		
7	Other (storage)	818	101	579	570.38		
8	Undgr. Stor. Gas Losses (Storage)	823	196,742	1,161,127	590.18		
9	Undgr. Storage Well Royalties (Storage)	825	22,308	136,017	609.72		
10	Transmission Compression - others (Trans)	858	136,674	878,792	642.98		
11	Oper. of City Gate Stations (Dist)	877	163,137	1,062,071	651.03		
12	Other Operation Expenses (Storage)	830	0	0	0.00		
13	Other Operation Expenses (Storage)	832	103	624	602.99		
14	Other Operation Expenses (Trans)	857	12,708	87,537	688.86		
15	Other (may include capital) (primarily Trans)	Various	26,127	148,750	569.33		
16							
17	Total account 812		681,738	4,312,455	632.57		
18							
19							
20							
21							
22							
23							
24							
25							
26	Total		2,367,865	\$14,315,171	604.56 ¢	0	\$0

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2011
TRANSMISSION AND COMPRESSION OF GAS BY OTHERS (ACCOUNT 858)			
1. Report below particulars (details) concerning gas transported or compressed for respondent by others equalling more than 1,000,000 Mcf (Bcf) and amounts of payments for such services during the year. Minor items (less than 1,000,000 Mcf) must be grouped. 2. In column (a) give name of companies to which payments were made, points of delivery and receipt of gas, names of companies to which gas was delivered and			
Line No.	Name of Company and Description of Service Performed (Designate associated companies with an asterisk) (a)	Distance Transported (in miles) (b)	
1	ANR Pipeline Company (1)		
2			
3	Great Lakes Gas Transmission (2)		
4			
5	Panhandle Eastern Pipeline (3)		
6			
7	Vector Pipeline (4)		
8			
9	Saginaw Bay (5)		
10			
11			
12			
13			
14			
15			
16	(1) Expenses represent:		
17	a.) Transmission from ANR's Woolfolk Receipt Point to Grand Rapids.		
18	b.) Transmission from the Columbus Meter Station to the Niagara		
19	Interconnection.		
20			
21	(2) Transmission from various points on Great Lake's system to various MichCon points.		
22			
23	(3) Transmission from various points on Panhandle Eastern's system to River Rouge.		
24			
25	(4) Transmission from various points on Vector Pipeline's system to Various MichCon points.		
26			
27	(5) Transmission of gas between West Branch (Alpena system) and Kalkaska		
28			
29	(6) Mcf of gas rec'd and delivered:		
30	Volumes are moved primarily on a fixed fee basis so volumes are not tracked.		
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			
43			
44			
45			
46	TOTAL	0	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011	
TRANSMISSION AND COMPRESSION OF GAS BY OTHERS (ACCOUNT 858) (Continued)					
from which received. Points of delivery and receipt should be so designated that they can be identified readily on map of respondent's pipeline system.					
3. If the Mcf of gas received differs from the Mcf delivered, explain in a footnote the reason for difference, i.e., uncompleted deliveries, allowance for transmission loss, etc.					
Mcf of Gas Delivered (14.73 psia at 60°F) (c)	Mcf of Gas Received (14.73 psia at 60°F) (d)	Amount of Payment (in dollars) (e)	Amount per Mcf of Gas Received (in cents) (f)	Line No.	
(6)	(6)	\$5,113,922	¢	1	
				2	
(6)	(6)	770	¢	3	
				4	
(6)	(6)	0	¢	5	
				6	
(6)	(6)	32,745	¢	7	
				8	
(6)	(6)	495,959	¢	9	
				10	
				11	
				12	
				13	
				14	
				15	
				16	
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				37	
				38	
				39	
				40	
				41	
				42	
				43	
				44	
				45	
0	0	\$5,643,396	¢	46	

LEASE RENTALS CHARGED

1. For purposes of this schedule a "lease" is defined as a contract or other agreement by which one party (lessor) conveys an intangible right or land or other tangible property and equipment to another (lessee) for a specified period of one year or more for rent.
2. Report below, for leases with annual charges of \$25,000 or more, but less than \$250,000 the data called for in columns a, b (descriptions only), f, g and i.
3. For leases having annual charges of \$250,000 or more, report the data called for in all the columns below.
4. The annual charges referred to in instruction 1 and 2 include the basic lease payment and other payments to or in behalf of the lessor such as taxes, depreciation, assumed interest or dividends on the lease. Securities, cost of property replacements** and other expenditures with respect to leased property except the expenses paid by lessee are to be itemized in column f below.
5. Leases of construction equipment in connection with construction work in progress are not required to be reported herein. Continuous, master or open-end leases for EDP or office equipment, automobile fleets and other equipment that is short-lived and replaced under terms of the lease or for pole rentals shall report only the data called for in columns a, b (description), f, g and i, unless the lessee has the option to purchase the property.
- 6 In column (a) report the name of the lessor. List lessors which are associated companies * (describing association) first, followed by non-associated lessors. * See

A. LEASE RENTAL CHARGED TO GAS OPERATING EXPENSES

Name of Lessor (a)	Basic Details of Lease (b)	Terminal Dates of Lease, Primary (P) or Renewal (R) (c)
LAUREN L BOWLER	7 MILE ROAD BUSINESS OFFICE	Monthly
BEL AIR 8 MILE LLC	8 MILE ROAD BUSINESS OFFICE	(P) 02/28/2014
CENTERPOINTE DEVELOPMENT CO	EASTBROOK OFFICE/GRAND RAPIDS CBO	(P) 12/30/2019
R&B DAVIS ENTERPRISES LLC	GRAYING WAREHOUSE	(P) 6/6/2015
GRAND RAPIDS 4420 LLC	SOUTHWEST MI INDUSTRIAL CO LLC	(P) 12/31/2015
EDC OF CHARTER COUNTY	FIRST STREET PARKING GARAGE//MECHANICAL MAILING	(P) 11/30/2013
GREEN ALLEN, LLC	CENTRAL STOREHOUSE, ALLEN ROAD	(P) 3/31/2015
AUTO OWNERS INSURANCE CO	TRAVERSE CITY OFFICE	(P) 5/31/2013
HOLIDAY PARK REALTY	MPSC Lansing Office/Suite	(P) 11/30/2011
NEW GALILEE MISSIONARY BAPTIST	Community Outreach Office	Annual
SECOND EBENEZER BAPTIST CHURCH	Community Outreach Office	Annual
Northern Broadcast Inc	Radio Tower	(P)7/31/2011
Range Telecommunications	Radio Tower	Monthly

** See Gas Plant Instruction 6 & Operating Expense Instruction 3 of the Uniform System of Accounts

LEASE RENTALS CHARGED (continued)

definition on page 226 (B).

- 7 In column (b) for each leasing arrangement, report in order, classified by transmission line, distribution system or other operating unit or system, followed by any other leasing arrangements not covered under the preceding classifications: Description of the property, whether lease is a sale and leaseback, whether lessee has option to purchase and conditions of the purchase, whether lease is cancellable by either party and the cancellation conditions, state the tax treatment used, the accounting treatment of the lease payments (levelized charges to expense or other treatment), the basis of any charges apportioned between the lessor and lessee, and the responsibility of the respondent for operation and maintenance expenses and replacement of property. The above information is to be reported with initiation of the lease and thereafter when changed or every five years, which ever comes first.
- 8 Report in column (d), as of the date of the current lease term, the original cost of the property leased, estimated if not known, or the fair market value of the property if greater than original cost and indicate as shown. If leased property is part of a large unit, such as part of a building, indicate without associating any cost or value with it.
- 9 Report in column (k) below the estimated remaining annual charges under the current term of the lease. Do not apply a present value to the estimate. Assume that cancellable leases will not be cancelled when estimating the remaining charges.

A. LEASE RENTAL CHARGED TO GAS OPERATING EXPENSES

Original Cost (O) or Fair Market Value (D) or Property (D)	Expenses to be Paid by Lessee Itemize (e)	AMOUNT OF RENT - CURRENT YEAR				Account Charged (j)	Remaining Annual Charges Under Lease Est. If Not Known (k)
		Current Year		Accumulated to Date			
		Lessor (f)	Other (g)	Lessor (h)	Other (i)		
		72,927				931	\$ -
		131,787				931	\$ 100,800
		97,500				931	\$ 802,500
		35,333				834	\$ -
		391,793				931	\$ 2,752,896
		126,999				931	\$ 379,797
	273,295	242,400				various	\$ -
		65,211				various	\$ 46,478
		30,672				931	\$ -
		27,500				903	\$ -
		30,000				903	\$ -
		26,506				866	\$ -
		27,988				866	\$ -
							\$ -
	273,295	1,306,616					4,082,471

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2011
LEASE RENTALS CHARGED (continued)			
A. LEASE RENTAL CHARGED TO GAS OPERATING EXPENSES (continued)			
Name of Lessor (a)	Basic Details of Lease (b)		Terminal Dates of Lease, Primary (P) or Renewal (R) (c)
No vehicle leases			
B. OTHER LEASE RENTALS CHARGED (Such as to Deferred Debits, etc.)			

MICHIGAN CONSOLIDATED GAS COMPANY				AN ORIGINAL		December 31, 2011	
LEASE RENTALS CHARGED (continued)							
A. LEASE RENTAL CHARGED TO GAS OPERATING EXPENSES (continued)							
Original Cost (O) or Fair Market Value (D) or Property (D)	Expenses to be Paid by Lessee Itemize (e)	AMOUNT OF RENT - CURRENT YEAR				Account Charged (j)	Remaining Annual Charges Under Lease Est. If Not Known (k)
		Current Year		Accumulated to Date			
		Lessor (f)	Other (g)	Lessor (h)	Other (i)		
No vehicle leases							
B. OTHER LEASE RENTALS CHARGED (Such as to Deferred Debits, etc.)							

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2011
MISCELLANEOUS GENERAL EXPENSES (ACCOUNT 930.2) (GAS)			
		Amount (b)	
1	Industry Association Dues	\$	572,071
2	Other Environmental Remediation Costs		641,303
3	CNG Fuel, Co. Use Gas for Utility Operations, Affiliated Overheads and Other Expenses		(33,029)
4	Amortization of Deferred MGP Environmental Remediation Costs		2,126,287
5	Shareholder Department labor, Registrar and Proxy Expenses		150,832
6	Directors Fees and Expenses		650,321
7	Misc. Other		27,469
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
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51			
52			
53	Total	\$	4,135,254

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MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011	
DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT					
(Accounts 403, 404.1, 404.2, 404.3, 405)					
(Except Amortization of Acquisition Adjustments)					
<p>1. Report in Section A the amounts of depreciation expense, depletion and amortization for the accounts indicated and classified according to the plant functional groups shown.</p> <p>2. Report all available information called for in Section B for the report year 1971, 1974 and every fifth year thereafter. Report only annual charges in the intervals between the report years (1971, 1974 and every fifth year thereafter). Report in column (b) all depreciable plant balances to which rates are applied and show a composite total. (If more desirable, report by plant account, subaccount or functional classifications other than those pre-printed in column a). Indicate at the bottom of Section B the manner in which column (b) balances are obtained. If</p>					
Section A. Summary of Depreciation, Depletion, and Amortization Charges					
Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Cost (Account 403.1) (c)	Amortization and Depletion of Producing Natural Gas Land and Land Rights (Account 404.1) (d)	
1	Intangible plant	\$ -	\$ -	\$ -	
2	Production plant, manufactured gas				
3	Production and gathering plant, natural gas	150,360			
4	Products extraction plant				
5	Underground gas storage plant	6,685,358	13,756		
6	Other storage plant				
7	Base load LNG terminating and processing plant				
8	Transmission plant	6,963,285	7,506		
9	Distribution plant	54,184,633	102,082		
10	General plant	4,150,774			
11	Common plant-gas				
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
25	Total	\$ 72,134,410	\$ 123,344	\$ -	

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MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL December 31, 2011				
DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT				
(Accounts 403, 404.1, 404.2, 404.3, 405)				
(Except Amortization of Acquisition Adjustments) (Continued)				
<p>average balances, state the method of averaging used. For column (c) report available information for each plant functional classification listed in column (a). If composite depreciation accounting is used, report available information called for in columns (b) and (c) on this basis. Where the unit of production method is used to determine depreciation charges, show at the bottom of Section B any revisions made to estimated gas reserves.</p> <p>3. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of Section B the amounts and nature of the provisions and the plant items to which related.</p>				
Amortization of Other Limited-term Gas Plant (Account 404.3) (e)	Amortization of Other Gas Plant (Account 405) (f)	Total (b to f) (g)	Functional Classification (a)	Line No.
\$ -	\$ 7,297,394	\$ 7,297,394	Intangible plant	1
			Production plant, manufactured	2
			gas	
			Production and gathering plant,	3
		\$ 150,360	natural gas	
			Products extraction plant	4
		\$ 6,699,114	Underground gas storage plant	5
			Other storage plant	6
			Base load LNG terminating and	7
			processing plant	
		\$ 6,970,791	Transmission plant	8
		\$ 54,286,715	Distribution plant	9
		\$ 4,150,774	General plant	10
			Common plant-gas	11
				12
				13
				14
				15
				16
				17
				18
				19
				20
				21
				22
				23
\$ -	\$ 7,297,394	\$ 79,555,148	Total	25

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DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (CONTINUED)

Section B. Factors Used in Estimating Depreciation Charges

Line No.	Functional Classification (a)	Depreciation Plant Base (Thousands) (b)	Applied Depr. Rate(s) (Percent) (c)
1	Production and Gathering Plant		
2	Offshore		
3	Onshore (2)	11,849	1.29%
4	Underground Gas Storage Plant	358,588	1.87%
5	Transmission Plant		
6	Offshore		
7	Onshore	513,715	1.39%
8	General Plant (3)	107,420	3.86%
9	Distribution Plant	2,448,017	2.47%
10			

Notes to Depreciation, Depletion and Amortization of Gas Plant

- (1) Amounts in column (b) are the average of the beginning and ending balances for 2011
- (2) Not included in the Depreciable Balance for Production Plant are several accounts which are depreciated by the Units of Production Method. The average plant balance for these accounts is \$1.5 million. The depreciation expense associated with these accounts is \$0. This approximates to a depreciation rate of 0.0%
- (3) Not included in the Depreciable Balance for General Plant are several transportation Plant Accounts which were depreciated in the clearing accounts. The average plant balance for these accounts is \$71.5 million. The depreciation expense associated with these accounts is \$1,389,971. This approximates to an depreciation rate of 1.94%.

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MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2011
PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTEREST CHARGES ACCOUNTS			
Report the information specified below, in the order given, for the respective income deduction and interest charges accounts. Provide a subheading for each account and a total for the account. Additional columns may be added if deemed appropriate with respect to any account.			
(a) Miscellaneous Amortization (Account 425)-Describe the nature of items included in this account, the contra account charged, the total of amortizations charges for the year, and the period of amortization.			
(b) Miscellaneous Income Deductions-Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related Activities; and 425.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than \$10,000 may be grouped by classes within the above accounts.			
(c) Interest on Debt to Associated Companies (Account 430) - For each associated company to which interest on debt was incurred during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open accounts, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.			
(d) Other Interest Expense (Account 431)-Report particulars (details) including the amount and interest rate for other interest charges incurred during the year.			
Line No.	Item (a)	Amount (b)	
1			
2	<u>Miscellaneous Amortization (Account 425)</u>		
3	None	-	
4			
5			
6		-	
7			
8			
9			
10	<u>Miscellaneous Income Deductions (Account 426.1-426.6)</u>		
11	Account 426.1 DTE Energy Foundation	-	
12	Account 426.1 Corporate Donations	708,815	
13	Account 426.3 Penalties State & IRS	93	
14	Account 426.4 Legislative advocacy costs	757,057	
15	Account 426.5 Canadian receivables - Currency conversion	(57,637)	
16	Account 426.5 Grantor Trust - Investment Loss / Admin cost	1,114,539	
17	Account Other	(2,383)	
18			
19			
20			
21	TOTAL Miscellaneous Deductions	\$2,520,484	
22			
23			
24			
25	<u>Interest on Debt to Associated Companies (Account 430)</u>		
26	DTE Energy Company	55,778	
27	MichCon Development Corp.	597	
28	Blue Lake Holdings, Inc.	15,239	
29	MichCon Gathering Company	1,720	
30	Saginaw Bay Pipeline Company	583	
31	MichCon Lateral Company	37	
32	MichCon Fuel Services Company	-	
33			
34			
35			
36			
37			
38			
39			
40			
41	TOTAL Interest on Debt to Associated Companies	\$73,954	
42			
43			
44			
45			
46			
47			

PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTEREST CHARGES ACCOUNTS

Report the information specified below, in the order given, for the respective income deduction and interest charges accounts. Provide a subheading for each account and a total for the account. Additional columns may be added if deemed appropriate with respect to any account.

(a) Miscellaneous Amortization (Account 425)-Describe the nature of items included in this account, the contra account charged, the total of amortizations charges for the year, and the period of amortization.

(b) Miscellaneous Income Deductions-Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related Activities; and 425.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than \$10,000 may be grouped by classes within the above accounts.

(c) Interest on Debt to Associated Companies (Account 430) - For each associated company to which interest on debt was incurred during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open accounts, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.

(d) Other Interest Expense (Account 431)-Report particulars (details) including the amount and interest rate for other interest charges incurred during the year.

Line No.	Item (a)	Amount (b)
1		
2		
3		
4		
5		
6	(d) - Other Interest Expenses (Account 431)	
7		
8	External Debt - Bank fees & Lines of Credit fees	2,734,255
9		
10	External Debt - Interest on short-term borrowings	420,606
11		
12	Regulatory item Interest - Gas Cost Recovery (GCR)	2,721,941
13		
14	Regulatory item Interest - Uncollectible Tracker (UETM)	(167,806)
15		
16	Regulatory item Interest - Energy Optimization (EO)	49,188
17		
18	Regulatory item Interest - Other (SRT,SI, Other)	47,795
19		
20	Regulatory item Interest - Revenue Decoupling Mechanism (RDM)	(55,373)
21		
22	Interest expense Other - Customer deposits	1,196,820
23		
24	Interest expense Other - Tax related	(25,707)
25		
26	Interest expense Other - GCC Supplier Deposits	4,594
27		
28	Interest expense Other - Misc	59
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		
41	Total	6,926,372
42		
43		

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2011
PARTICULARS CONCERNING CERTAIN OTHER INCOME ACCOUNTS			
<p>1. Report in this schedule the information specified in the instructions below for the respective other income accounts. Provide a conspicuous subheading for each account and show a total for the account. Additional columns may be added for any account if deemed necessary.</p> <p>2. Merchandising, Jobbing and Contract Work (Accounts 415 and 416)-Describe the general nature of merchandising, jobbing and contract activities. Show revenues by class of activity, operating expenses classified as to operation, maintenance, depreciation, rents and net income before taxes. Give the basis of any allocations of expenses between utility and merchandising, jobbing, and contract work activities.</p> <p>3. Nonutility Operations (Accounts 417 and 417.1)-Describe each Nonutility operation and show revenues, operating expenses classified as to operation, maintenance, depreciation, rents, amortization and net income before taxes, from the operation. Give the bases of any allocations of expenses between utility and nonutility operations. The book cost of property classified as nonutility operations should be included in Account 121.</p> <p>4. Nonoperating Rental Income (Account 418)-For each major item of miscellaneous property included in Account 121, Nonutility Property, which is not used in operations for which income is included in Account 417, but which is leased or rented to others, give name of lessee, brief description of property, effective date and expiration date of lease, amount of rent revenues, operating expenses classified as to operation, maintenance, depreciation, rents, amortization, and net income before taxes, from the rentals. If the property is leased on a basis other than that of a fixed annual rental, state the method of determining the rental. Minor items may be grouped by classes, but the number of items so grouped should be shown. Designate any lessees which are associated companies.</p> <p>5. Interest and Dividend Income (Account 419)-Report interest and dividend income, before taxes, identified as to the asset account or group of accounts in which are included the assets from which the interest or dividend income was derived from investments, Accounts 123, 124 and 136 may be shown in total. Income from sinking and other funds should be identified with the related special funds. Show also expenses, included in Account 419 as required by the Uniform System of Accounts.</p> <p>6. Miscellaneous Nonoperating Income (Account 421)-Give the nature and source of each miscellaneous Nonoperating income, and expense and the amount thereof for the year. Minor items may be grouped by classes.</p>			
Line No.	Item (a)	Amount (b)	
1	<u>Income from Merchandising, Jobbing and Contract Work (Account 415, 416)</u>		
2			
3	Revenue from Merchandise Sales and Contract Work	\$2,424,220	
4	Expense from Merchandise Sales and Contract Work	(2,623,593)	
5			
6		(\$199,373)	
7	<u>Income from Non-Utility Operations (Accounts 417 and 417.1)</u>		
8			
9	Revenues from Non-Utility operations	\$108,346	
10	Expenses from Non-Utility operations	(1,215)	
11			
12		\$107,131	
13			
14	<u>Nonoperating Rental Income (Account 418)</u>		
15			
16	<u>Interest and Dividend Income (Account 419)</u>		
17			
18	Interest Revenue from Vector Pipeline, L.P.	\$6,921,959	
19	Interest Revenue with associated companies	92,479	
20	Interest on Grantor Trust	1,133	
21	Interest on Financing of Customer Attachment Program	168,359	
22	Interest Income on Temporary Investments	-	
23			
24			
25		\$7,183,930	
26			
27			
28	<u>Allowance for Other Funds Used During Construction (Account 419.1)</u>		
29			
30	AFUDC Equity	511,745	
31			
32		\$511,745	
33			
34			
35			
36			

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2011
PARTICULARS CONCERNING CERTAIN OTHER INCOME ACCOUNTS			
<p>1. Report in this schedule the information specified in the instructions below for the respective other income accounts. Provide a conspicuous subheading for each account and show a total for the account. Additional columns may be added for any account if deemed necessary.</p> <p>2. Merchandising, Jobbing and Contract Work (Accounts 415 and 416)-Describe the general nature of merchandising, jobbing and contract activities. Show revenues by class of activity, operating expenses classified as to operation, maintenance, depreciation, rents and net income before taxes. Give the bases of any allocations of expenses between utility and merchandising, jobbing, and contract work activities.</p> <p>3. Nonutility Operations (Accounts 417 and 417.1)-Describe each Nonutility operation and show revenues, operating expenses classified as to operation, maintenance, depreciation, rents, amortization and net income before taxes, from the operation. Give the bases of any allocations of expenses between utility and nonutility operations. The book cost of property classified as nonutility operations should be included in Account 121.</p> <p>4. Nonoperating Rental Income (Account 418)-For each major item of miscellaneous property included in Account 121, Nonutility Property, which is not used in operations for which income is included in Account 417, but which is leased or rented to others, give name of lessee, brief description of property, effective date and expiration date of lease, amount of rent revenues, operating expenses classified as to operation, maintenance, depreciation, rents, amortization, and net income before taxes, from the rentals. If the property is leased on a basis other than that of a fixed annual rental, state the method of determining the rental. Minor items may be grouped by classes, but the number of items so grouped should be shown. Designate any lessees which are associated companies.</p> <p>5. Interest and Dividend Income (Account 419)-Report interest and dividend income, before taxes, identified as to the asset account or group of accounts in which are included the assets from which the interest or dividend income was derived from investments, Accounts 123, 124 and 136 may be shown in total. Income from sinking and other funds should be identified with the related special funds. Show also expenses, included in Account 419 as required by the Uniform System of Accounts.</p> <p>6. Miscellaneous Nonoperating Income (Account 421)-Give the nature and source of each miscellaneous Nonoperating income, and expense and the amount thereof for the year. Minor items may be grouped by classes.</p>			
Line No.	Item (a)	Amount (b)	
1			
2	<u>Miscellaneous Nonoperating Income (Account 421)</u>		
3			
4			
5	Grantor Trust Income	1,388,155	
6	Equity earnings in Detroit Investment Fund	11,999	
7	Other	(229,549)	
8			
9		1,170,605	
10			
11			
12			
13			
14			
15			
16			
17			
18			
19	TOTAL OTHER INCOME	\$8,774,038	
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			

MICHIGAN CONSOLIDATED GAS COMPANY		An Original		December 31, 2011	
GAIN OR LOSS ON DISPOSITION OF PROPERTY (Account 421.1 and 421.2)					
<p>1. Give a brief description of property creating the gain or loss. Include name of party acquiring the property (when acquired by another utility or associated company) and the date transaction was completed. Identify property by type; Leased, Held for Future Use, or Nonutility.</p> <p>2. Individual gains or losses relating to property with an original cost of less than \$100,000 may be grouped, with the number of such transactions disclosed in column (a).</p> <p>3. Give the date of Commission approval of journal entries in column (b), when approval is required. Where approval is required but has not been received, give explanation following the item in column (a). (See account 102, Utility Plant Purchased or Sold).</p>					
Line No.	Description of Property (a)	Original Cost of Related Property (b)	Date Journal Entry Approved (When Required) (c)	Account 421.1 (d)	Account 421.2 (e)
1	Gain on disposition of Property:				
2					
3					
4	Gain on Disposition of Property (421.1)				
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20	Total Gain on Disposition of Property	\$0		\$0	
21					
22	Loss on disposition of Property:				
23					
24	<u>Utility</u>				
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41	Total loss	\$0		\$0	

EXPENDITURES FOR CERTAIN CIVIC, POLITICAL AND RELATED ACTIVITIES

(Account 426.4)

1. Report below all expenditures incurred by the respondent during the year for the purpose of influencing public opinion with respect to the election or appointment of public officials, referenda, legislation or ordinances (either with respect to the possible adoption of new referenda, legislation or ordinances or repeal or modification of existing referenda, legislation or ordinances); approval, modification, or revocation of franchises; or for the purpose of influencing the decisions of public officials which are accounted for as Other Income Deductions, Expenditures for Certain Civic, Political and Related Activities; Account 426.4.
2. Advertising expenditures in this Account shall be classified according to subheadings, as follows: (a) radio, television, and motion picture advertising; (b) newspaper, magazine, and pamphlet advertising; (c) letters or inserts in customers' bills, (d) inserts in reports to stockholders; (e) newspaper and magazine editorial services; and (f) other advertising.
3. Expenditures within the definition of paragraph (1), other than advertising shall be reported according to captions or descriptions, clearly indicating the nature and purpose of the activity.
4. If respondent has not incurred any expenditures contemplated by the instructions of Account 426.4, so state.
5. For reporting years which begin during the calendar year 1963 only, minor amounts may be grouped by classes if the number of items so grouped is shown.

NOTE: The classification of expenses as nonoperating and their inclusion in this account is for accounting purposes. It does not preclude Commission consideration of proof to the contrary for ratemaking or other purposes.

Line No.	Item (a)	Amount (b)
1	State and Federal Legislative Advocacy Expenses	\$757,057
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35	TOTAL	\$757,057

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011	
REGULATORY COMMISSION EXPENSES					
1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to formal cases before a regulatory body, or cases in which such a body was a party.					
2. In columns (b) and (c), indicate whether the expenses were assessed by a regulatory body or were otherwise incurred by the utility.					
3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.					
Line No.	Description (Furnish name of regulatory commission or body, the docket or case number, and a description of the case.) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses to Date (d)	Deferred in Account 186 at Beginning of Year (e)
1	GCR Matters	---	15,852	\$15,852	---
2					
3	MPSC Case No. U-16146-R, 2010-11 GCR Reconciliation				
4	MPSC Case No. U-16482, 2011-12 GCR Plan				
5	MPSC Case No. U-15701-R, MichCon 2009-10 GCR				
6	Reconciliation				
7					
8	General Rate Case Matters	---	14,226	14,226	---
9					
10	MPSC Case No. U-16407, MichCon Main Renewal Plan				
11	MPSC Case No. U-16451, MichCon Meter Moveout Plan				
12	MPSC Case No. U-16535, MichCon Manufactured Gas Plan				
13	MPSC Case No. U-16558, Belle River Certificate of Public				
14	Convenience and Necessity				
15	MPSC Case No. U-16757, MichCon 2010 Uncollectible				
16	True-up Mechanism				
17	MPSC Case No. U-16769, MichCon Depreciation Rates				
18					
19	General Pricing and Regulation	---	5,428	5,428	---
20					
21	Various MPSC Cases, Customer Complaints, Certificates of				
22	Public Convenience and Necessity, Gas Customer Choice				
23		---	(4,177)	(4,177)	---
24	Main Gas Rate Case				
25					
26	MPSC Case No. U-16447, MichCon Self Implemenatation				
27	Refund				
28	MPSC Case No. U-16877, MichCon Revenue Decoupling				
29	Case Mechanism Reconciliation				
30					
31		---			
32	NOTE: Regulatory Affairs Labor is charged to a general				
33	Internal Order and it can not be determined what portion				
34	is attributed to specific MichCon case work.				
35					
36					
37					
38					
39	Utility Assessment				
40					
41					
42	TOTAL	\$2,792,306	\$31,329	\$2,823,635	---

REGULATORY COMMISSION EXPENSES (Continued)

4. The totals of columns (e), (i), (k), and (l) must agree with the totals shown at the bottom of page 233 for Account 186.
5. List in columns (f), (g), and (h) expenses incurred during the year which were charged currently to income, plant, or other accounts.
6. Minor items (less than \$25,000) may be grouped.

EXPENSES INCURRED DURING YEAR			AMORTIZED DURING YEAR			Deferred in Account 186, End of Year (l)	Line No.
CHARGED CURRENTLY TO			Deferred to Account 186 (i)	Contra Account (j)	Amount (k)		
Department (f)	Account No. (g)	Amount (h)					
GAS	928-00	15,852	---		---	---	1
							2
							3
							4
							5
							6
							7
GAS	928-00	14,226	---		---	---	8
							9
							10
							11
							12
							13
							14
							15
							16
							17
							18
							19
GAS	928-00	5,428	---		---	---	20
							21
							22
							23
							24
GAS	928-00	(4,177)	---		---	---	25
							26
							27
							28
							29
							30
							31
							32
							33
							34
							35
							36
							37
							38
GAS	408-10	2,509,883	---		---	---	39
GAS	928-00	282,423					40
							41
		\$2,823,635	---		---	---	42

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011	
DISTRIBUTION OF SALARIES AND WAGES					
Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.					
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)	
1	Electric				
2	Operation				
3	Production	N/A			
4	Transmission	N/A			
5	Distribution	N/A			
6	Customer Accounts	N/A			
7	Customer Service and Informational	N/A			
8	Sales	N/A			
9	Administrative and General	N/A			
10	TOTAL Operation (Total of line 3 thru 9)	-			
11	Maintenance				
12	Production	N/A			
13	Transmission	N/A			
14	Distribution	N/A			
15	Administrative and General	N/A			
16	TOTAL Maintenance (Total of line 12 thru 15)	-			
17	Total Operation and Maintenance				
18	Production (Total of lines 3 and 12)	N/A			
19	Transmission (Total of Lines 4 and 13)	N/A			
20	Distribution (Total of lines 5 and 14)	N/A			
21	Customer Accounts (Line 6)	N/A			
22	Customer Service and Informational (Line 7)	N/A			
23	Sales (Line 8)	N/A			
24	Administrative and General (Total of lines 9 and 15)	N/A			
25	TOTAL Operation and Maint. (Total of lines 18 thru 24)	-			
26	Gas				
27	Operation				
28	Production-Manufactured Gas				
29	Production-Nat. Gas (Including Expl. and Dev.)				
30	Other Gas Supply				
31	Storage, LNG Terminaling and Processing	2,477,760			
32	Transmission	8,957,032			
33	Distribution	45,354,648			
34	Customer Accounts	20,950,290			
35	Customer Service and Informational	2,508,384			
36	Sales	2,015,853			
37	Administrative and General	25,679,303			
38	TOTAL Operation (Total of lines 28 thru 37)	107,943,270			
39	Maintenance				
40	Production-Manufactured Gas				
41	Production-Nat. Gas	-			
42	Other Gas Supply				
43	Storage, LNG Terminaling and Processing	1,818,242			
44	Transmission	2,541,350			
45	Distribution	11,625,581			
46	Administrative and General	381,370			
47	TOTAL Maintenance (Total of lines 40 thru 46)	\$ 16,366,543			

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011
DISTRIBUTION OF SALARIES AND WAGES (Continued)				
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
	Gas (Continued)			
48	Total Operation and Maintenance			
49	Production-Manufactured Gas (Lines 28 & 40)	\$ -		
50	Production-Natural Gas (Including Expl. and Dev.) (Lines 29 & 41)	-		
51	Other Gas Supply (Lines 30 & 42)	-		
52	Storage, LNG Terminaling and Processing (Lines 31 & 43)	4,296,002		
53	Transmission (Lines 32 & 44)	11,498,382		
54	Distribution (Lines 33 & 45)	56,980,229		
55	Customer Accounts (Line 34)	20,950,290		
56	Customer Service and Informational (Line 35)	2,508,384		
57	Sales (Line 36)	2,015,853		
58	Administrative and General (Lines 37 & 46)	26,060,673		
59	TOTAL Operation and Maint. (Total of line 49 thru 58)	124,309,813	-	\$ 124,309,813
60	Other Utility Departments			
61	Operation and Maintenance			
62	TOTAL All Utility Dept. (Total of lines 25, 59, and 61)	124,309,813	-	124,309,813
63	Utility Plant			
64	Construction (By Utility Departments)			
65	Electric Plant			-
66	Gas Plant (See Note #1)	48,626,380	(815)	48,625,565
67	Other			-
68	TOTAL Construction (Enter Total of lines 65 thru 67)	48,626,380	(815)	48,625,565
69	Plant Removal (By Utility Departments)			
70	Electric Plant			-
71	Gas Plant (See Note #1)			-
72	Other			-
73	TOTAL Plant Removal (Total of lines 70 thru 72)	-	-	-
74	Other Accounts (Specify):			
75	Merchandising, Jobbing and Contract Work	1,136,075	-	1,136,075
76	Non Utility Operations	1,653	-	1,653
77	Civic, Political and Related Activities	276,749	-	276,749
78	Long Term Enviromental Reserves	-	-	-
79	Clearing Accounts	-	815	815
80				-
81	TOTAL Other Accounts	1,414,477	815	1,415,292
82	TOTAL SALARIES AND WAGES	\$ 174,350,670	-	\$ 174,350,670
83				
84				
85	Notes:			
86	#1) Effective with the conversion to SAP on April 1, 2007, Wages and Salaries charged to plant removal is			
87	not available. This amount is included in Construction Gas Plant.			
88				
89				
90				
91				
92				
93				
94				
95				
96				
97				
98				

Name of Respondent	This Report is:	Date of Report	Year of Report
The Michigan Consolidated Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Dec. 31, 2011
CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES			
<p>1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. (These services include rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation, partnership, organization of any kind, or individual [other than for services as an employee or for payments made for medical and related services] amounting to more than \$50,000, including payments for legislative services, except those which should be reported in Account</p>		<p>426.4, Expenditure for Certain Civic, Political and Related Activities.) (a) Name and address of person or organization rendering services. (b) description of services received during year and project or case to which services relate, (c) basis of charges, (d) total charges for the year, detailing utility department and account charged. 2. For any services which are of a continuing nature, give date and term of contract and date of Commission authorization, if contract received Commission approval. 3. Designate with an asterisk associated companies.</p>	
See Pages 357.1 through 357.15			
<p>The following charges were billed to and paid for by Michigan Consolidated Gas: Some portion of the charges may have been subject to allocation to other entities under DTE Energy.</p>			

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2011

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
2V Professional Group LLC 23077 Greenfield Ste 107 Southfield MI 48076	Janitorial Services	O&M, CAP	\$52,180	107,416,923,935
A & E Appliance Service 27422 Gratiot Ave Roseville MI 48066-2916	Appliance Repair Services	O&M	\$117,702	912
A & R Appliance Service 49150 Gyde Rd Canton MI 48187	Appliance Repair Services	O&M	\$51,001	912
A & R Appliance Service 6836 Gilman Garden City MI 48135	Appliance Repair Services	O&M	\$188,982	912
A1 Asphalt Inc 4634 Division St Wayland MI 49348-8924	Paving Services	O&M, CAP	\$439,640	107,874,880,887,892
Accretive Solutions Detroit Inc 2800 Livernols Troy MI 48083	Personnel Services	O&M, CAP	\$52,835	107,923
Accurate Repair Service Lic 2435 Eastern Ave Se Grand Rapids MI 49507-3641	Appliance Repair Services	O&M	\$90,219	912
Aclara Software 16 Laurel Ave Wellesley Ma 2481	Software Maintenance Services	O&M	\$82,996	908,910
Aetna Inc 151 Farmington Ave Rt21 Hartford Ct 06156-9162	Healthcare Services	O&M	\$333,571	926
Airtronic Heating & Cooling 26666 Grand River Ave Redford MI 48240-1531	Appliance Repair Services	O&M	\$109,432	912
AIS Construction Equipment Co 600 44th St SW Grand Rapids MI 49548-4114	Vehicle Maint. & Repair Services	O&M	\$1,517,095	912
Allied Inc 240 Metty Dr Ste D Ann Arbor MI 48103	Equipment Repair Services	CAP	\$52,008	107
Altec Industries Inc 210 Inverness Ctr Dr Birmingham Al 35242	Fleet Management Services	O&M, CAP	\$134,042	107,921,923
American Appliance Consulting LLC 37466 Ann Arbor Trail Livonia MI 48150	Appliance Repair Services	O&M	\$70,318	912
American Appliance Heating 37529 Schoolcraft Rd Livonia MI 48150-1009	Appliance Repair Services	O&M	\$1,331,195	912
American Dix Appliance Srv Inc 3311 Dix Hwy Lincoln Park MI 48146	Appliance Repair Services	O&M	\$218,794	912
American Excavating Contractors Lic 12838 Gavel Detroit MI 48227	Excavation Services	O&M, CAP	\$1,921,282	107,879,887,892
American Gas Association 400 N Capitol St NW Ste 450 Washington Dc 20001	Consulting Services	O&M	\$455,395	880
Americlerk Inc 1025 N Campbell Rd Royal Oak MI 48067-1519	Legal Services	O&M, CAP	\$158,141	107,903,921,923,925

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2011

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Appliance Doctors Po Box 24722 Detroit MI 48224-0722	Appliance Repair Services	O&M	\$547,789	912
Ardmore Power Logistics Llc 14701 Detroit Ste 385 Lakewood Oh 44107	Logistical Services	O&M, CAP	\$1,141,803	107, 416, 426.1, 426.4, 817, 818, 823, 830, 832, 833, 834 850, 853, 856, 859, 863, 864, 866, 874, 875, 877, 878, 879 880, 887, 889, 891, 892, 893, 901, 902, 903, 905, 908, 909 910, 912, 921, 925, 928, 930.1, 935
Arrow Energy Services Inc 430 Columbus Dr Kalkaska MI 49646-8484	Waste Removal Services	CAP	\$51,215	107
AT and T Global Services Inc One SBC Plaza Dallas Tx 75202	Communication Services	O&M, CAP	\$820,615	107, 866, 903, 921
AT & T PO Box 78045 Phoenix AZ 85062-8045	Communication Services	O&M	\$341,696	930.1, 866
AT & T Mobility II LLC 5565 Glenridge Connector Ste 510 Atlanta Ga 30342	Communication Services	O&M, CAP	\$457,150	107, 866, 903, 910, 921
Auto Wares LLC 440 Kirtland SW Grand Rapids Mi 49507	Vehicle Maint. & Repair Services	O&M, CAP	\$280,530	107, 923
Avaya Inc 211 Mount Airy Rd Basking Ridge NJ 07920	IT Services	O&M, CAP	\$242,170	107, 910, 921
B & L Frame & Axle Inc 38862 Ford Rd Westland MI 48185-1960	Vehicle Maint. & Repair Services	O&M, CAP	\$51,825	107, 866, 923
B & B Oilfield Equip Co PO Box 492 Mt Pleasant Mi 48804-0492	Equipment Maint & Repair Service	CAP	\$105,818	107
Baker Hughes Oilfield Operations 2929 Allen Pkwy Houston Tx 77019	Engineering Services	O&M	\$455,053	830, 832
Bank of America NA 401 N Tryon St Charlotte Nc 28255	Administrative Services	O&M, CAP	\$197,889	107, 921
Bartech Group Inc 17199 N Laurel Park Dr Ste 224 Livonia Mi 48152-2683	Personnel Services	O&M, CAP	\$3,003,266	107, 416, 823, 850, 821, 859, 866, 874, 879, 880, 893, 902, 903 907, 908, 909, 912, 923
Berline Group Inc 70 E Long Lake Rd Bloomfield Hills MI 48304-2356	Administrative Services	O&M	\$3,264,518	426.1, 859, 880, 903, 908, 909, 912, 928, 930.1
BGL Asset Services LLC 116 S Isabella Rd Mount Pleasant MI 48858-1037	Construction & Maint. Services	CAP	\$178,571	107
Billi And Rods Appliance Inc 15210 Middlebelt Rd Livonia MI 48154-4035	Appliance Repair Services	O&M	\$70,316	912
Blue Cross and Blue Shield 600 E Lafayette Blvd Detroit MI 48226	Healthcare Services	O&M	\$847,582	926
Boots and Coots LLC 7908 N Sam Houston Pkwy 5th Fl Houston Tx 77064	Construction Services	CAP	\$59,128	107
Boss Industries Inc 1761 Genesis Dr La Porte In 46350-2492	Vehicle Maint. & Repair Services	CAP	\$115,654	107

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2011

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Brooks Electric Service Inc 8 E Hillis Road Stanton MI 48888	Construction Services	O&M, CAP	\$101,174	107, 834, 891
BSC Acquisition Sub LLC DBA Double Envelope 7702 Plantation Rd Roanoke VA 24019	Professional Services	O&M	\$50,047	903
Bureau Veritas North America Inc 11860 W State Rd, Ste 1 Fort Lauderdale, FL 33325	Environmental Services	O&M, CAP	\$76,670	107, 253, 416, 889, 935
Busens Appliance Inc 2323 Fort St Lincoln Park MI 48146-2420	Appliance Repair Services	O&M	\$542,176	912
CT Heating 1313 Rush Lake Rd Pinckney MI 48169-8531	Appliance Repair Services	O&M	\$98,952	912
Cameron International Corp 16250 Port Northwest Dr Houston TX 77041	Technical Services	O&M, CAP	\$668,159	107, 416, 834, 853, 864
Cameron Compression Systems PO Box 70132 Chicago IL 60673-0132	Construction & Maint. Services	O&M	\$64,999	416, 866
Cass Lock Contracting Co Inc 3431 Michigan Ave Detroit MI 48216-1040	Building Maint & Repair Services	O&M, CAP	\$91,673	107, 877, 902, 903, 923, 935
Catskill Remedial Contracting 911 Dix St Otsego MI 49078	Environmental Services	O&M	\$304,945	253
CBCA Administrators Inc 250 E Broad St Ste 2100 Columbus OH 43215	Healthcare Services	O&M	\$207,225	926
CCB Credit Services Inc 5300 S Sixth St Springfield IL 62703	Professional Services	O&M	\$50,106	903
CDW Direct LLC 200 N Milwaukee Ave Vernon Hills IL 60061-1577	IT Services	O&M, CAP	\$65,137	107, 850, 859, 864, 880, 902, 903, 921, 925
Cellco Partnership DBA Verizon Wireless 1 Verizon Pl Alpharetta GA 30004	Communication Services	O&M, CAP	\$1,031,274	107, 866, 903, 910, 921
Chalmers Productions 22444 Outer Dr Dearborn MI 48124	Professional Services	O&M, CAP	\$77,323	107, 426.1, 426.4, 850, 859, 879, 880, 901, 903, 908, 909, 912, 923
Checkfree Formerly American Payment Systems 15 Sterling Dr Wallingford CT 06492-1843	Professional Services	O&M	\$146,328	903
Cintas Corp No 2 Po Box 625737 Cincinnati OH 45262-5737	Laundry Services	O&M, CAP	\$664,615	107, 834, 863, 864, 874, 879, 889, 893, 902, 903, 923, 935
Clearesult Consulting Great Lakes 3474 Alaledon Pkwy Ste 600 Okemos MI 48864	Administrative Services	O&M, CAP	\$4,115,423	107, 905, 908
Cloverdale Equip Co 13133 Cloverdale St Oak Park MI 48237-3272	Equipment Rental Services	O&M, CAP	\$71,911	107, 834
Coastal Chemical Co LLC 5300 Memorial Dr Ste 250 Houston TX 77007-820	Equipment Repair Services	CAP	\$929,070	107

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2011

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Coil Drilling Technologies Inc 2362 Pkwy Dr Mt Pleasant, MI 48858	Consulting Services	CAP	\$197,223	107
Consumer Insight Inc 5455 Corporate Dr Ste 120 Troy MI 48098-2620	Marketing Services	O&M	\$183,699	859,880,902,903,908
Contract Callers Inc 1058 Claussen Rd Ste 110 Augusta, GA 30907	Meter Services	O&M	\$480,589	823
Corby Energy Services Inc 6001 Schooner St Belleville MI 48111-5366	Underground Construction Services	O&M, CAP	\$7,466,563	107,880,887,970
Corporate Executive Board 3393 Collection Center Dr Chicago, IL 60693-003	Professional Services	O&M, CAP	\$55,937	107,921,923
Corrigan Record Storage LLC 45200 Grand River Ave Novi, MI 48375-001	Professional Services	O&M, CAP	\$54,196	107,921,923
Cummings McClorey Davis and Acho PI 33900 Schoolcraft Rd Livonia, MI 48150	Legal Services	O&M, CAP	\$277,256	107,923,925
Customerlink LLC 1 E First St Ste 300 Duluth, MN 55802	Professional Services	O&M	\$210,512	880,910,912
D Marco Contractors Inc 200 W State Fair Detroit, MI 48203	Underground Construction Services	O&M, CAP	\$2,597,482	107,874,879,887,889
Delta Dental Plan of Michigan PO Box 79001 Detroit, MI 48279-0002	Healthcare Services	O&M	\$246,727	926
Devon Facility Management 535 Griswold Ste 2050 Detroit, MI 48226	Janitorial Services	O&M, CAP	\$926,176	107,416,834,903,923,935
DJG Mechanical LLC 153 S Washington Oxford, MI 48371	Appliance Repair Services	O&M	\$135,096	912
Docs Appliance Service Inc 45618 Van Dyke Utica, MI 48317	Appliance Repair Services	O&M	\$150,507	912
Donald R Derulter 3780 Dickerson Rd Lake City, MI 49651	Pipeline Services	O&M	\$60,863	833,863
Donlen Corp 2315 Sanders Rd Northbrook, IL 60062	Vehicle Maint. & Repair Services	O&M, CAP	\$345,323	107,866,923
Douglas Technologies Inc 251045 Tower Ridge Estate Calgary, AB T3Z 2M3	IT Services	O&M, CAP	\$124,076	107,866
Ductz North America LLC 731 Fairfield Ct Ann Arbor, MI 48108	Appliance Repair Services	O&M	\$61,138	912
Dynecol Inc 6520 Georgla St Detroit, MI 48211-166	Hazardous Waste Disposal Services	O&M, CAP	\$253,501	107,253,416
Dziurman Dsign Inc 620 S Main St Clawson, MI 48017-2016	Technical Services	O&M	\$1,196,161	912

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2011

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Edward J Painting Chad E Struthers 4665 Meadowlawn Dr Gratiot, MI 48059	Painting Services	O&M, CAP	\$428,640	107,416,833,834,865
Elmers Crane & Dozer Inc 3600 Rennie School Rd Traverse City, MI 49684	Construction Services	O&M, CAP	\$88,887	107,856,887
EMC Corp 176 South St Hopkinton, MA 01748-223	Software Maintenance Services	O&M, CAP	\$209,291	107,921.92
Emerson Network Power 610 Executive Campus Dr Westerville, OH 43082-939	IT Services	O&M, CAP	\$72,383	107,834,866,921,923
En Engineering LLC 7135 Janes Ave Woodridge, IL 60517-2344	Engineering Services	O&M, CAP	\$159,304	107,851
En Pipeline Engineering LLC 7135 Janes Ave Woodridge, IL 60517-2344	Pipeline Services	O&M	\$127,675	850
Enduro Pipeline Services Inc 5002 S 45th West Ave Tulsa, OK 74107-7345	Pipeline Services	CAP	\$259,515	107
Energy Solutions Ctr Inc 400 N Capitol St NW Washington, DC 20001	Engineering Services	O&M	\$60,045	859,880
Environ International Corp 4350 N Fairfax Arlington, VA 22203	Environmental Services	O&M	\$62,935	925
Environmental Recycling DBA Division of Lamps Inc 527 E Woodland Cir Bowling Green, OH 43402-8966	Hazardous Waste Disposal Services	O&M	\$95,550	253,935
EQ Environmental Quality Co 36255 Michigan Ave Wayne, MI 48184	Environmental Services	CAP	\$66,919	107
Ernst and Young LLP 5 Times Sq New York, NY 10036-652	Consulting Services	O&M, CAP	\$53,621	107,903.92
Experian Information Solutions Inc 475 Anton Blvd Costa Mesa, CA 92626-703	Professional Services	O&M	\$525,918	903
Experis Finance Us LLC 100 Manpower Pl Milwaukee, WI 53212	Consulting Services	O&M, CAP	\$180,877	107,923
Expert Auto Accents Inc PO Box 71896 Madison Heights, MI 48071-089	Vehicle Maint. & Repair Services	O&M, CAP	\$64,950	107,923
Facility Matrix Group Inc 555 Friendly St Pontiac, MI 48341-2650	Engineering Services	O&M, CAP	\$60,918	107,850,903,923,935
Fahey Schiltz Burzych Rhodes Plc 4151 Okemos Rd Okemos, MI 48864	Legal Services	O&M, CAP	\$88,407	107,859,923,925
Faps Inc 8111 Rawsonville Rd Belleville, MI 48111	Fleet Management Services	O&M, CAP	\$51,523	107, 921, 923
Fifth Third Bank 1000 Town Ctr, 14th Fl Southfield, MI 48075	Administrative Services	O&M, CAP	\$214,381	107, 921

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

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Fitzgibbons Fleet Fabricators Ltd 3325 Cisco St Jackson, MI 49201-8804	Vehicle Maint. & Repair Services	O&M, CAP	\$518,828	107,866,923
Ford Quality Fleet Care Program Dept 121801, PO Box 67000 Detroit, MI 48267-1218	Vehicle Maint. & Repair Services	O&M, CAP	\$974,530	107,923
Frontier North 3 High Ridge Park Stamford, CT 06905	Telecommunication Services	O&M, CAP	\$251,293	107,866,903,910,921
Gallup Inc 1001 Gallup Dr Omaha, NE 68102	Professional Services	O&M, CAP	\$240,100	107,823
Gardiner C Vose Inc 832 Crestview Ave Bloomfield Hills, MI 48302-000	Construction Services	O&M, CAP	\$126,245	107,903,923,935
Gateway Air Service Inc 5465 E Airport Rd Mt Pleasant, MI 48858-8923	Contract Labor Services	O&M	\$73,155	833,856,863
Give Em A Brake Safety 2610 Sanford Ave SW Grandville, MI 49418-106	Engineering Services	O&M, CAP	\$83,096	107,887,889,892
GL Noble Denton Inc 1155 Dairy Ashford Houston, TX 77079	Technical Services	O&M, CAP	\$169,707	107,850
Global Appliances 13007 E 8 Mile Warren, MI 58089-3221	Appliance Repair Services	O&M	\$282,000	912
Global Rental Company Inc PO Box 11407 Birmingham, AL 35246-138	Vehicle Maint. & Repair Services	CAP	\$247,478	107
GMT Power Inc 329 80th Ave Zeeland, MI 49464	IT Services	O&M, CAP	\$128,784	107,921
Goodwills Green Works Inc 621 Lynch Rd Detroit, MI 48234	Personnel Services	O&M, CAP	\$160,809	107,417,893,903,923
Grand River Printing 8455 Haggerty Rd Belleville, MI 48111-1607	Printing & Mailing Services	O&M, CAP	\$172,538	107,859,903,921,923
Great Dane Heating & Air Conditioning 36611 Gratiot Clinton Twp, MI 48035	Appliance Repair Services	O&M	\$56,883	912
Great Lakes Appliance Repair Co 1456 S Gratiot Ave Mt Clemens, MI 48043	Appliance Repair Services	O&M	\$50,000	912
Great Lakes Truck and Trailer Inc 5912 E Executive Dr Westland, MI 48185-193	Vehicle Maint. & Repair Services	O&M, CAP	\$244,186	107,923
Greware Equipment Co PO Box L Grand Rapids, MI 49501	Equipment Maint & Repair Service	CAP	\$997,325	107
Hall Engineering Co 25400 Meadowbrook Rd Novi, MI 48375-1842	Engineering Services	O&M, CAP	\$493,718	107,416,818,834,864,866,891
Harlan Electric Co 2695 Crookds Rd Rochester Hills MI 48309-3658	Construction Services	O&M	\$932,302	874,903

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

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Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Harris & Harris Ltd 600 W Jackson Blvd, Suite 400 Chicago IL 60661	Professional Services	O&M	\$144,810	903
Haywood Associates Inc 124 Jewett St Georgetown MA 01833	IT Services	O&M, CAP	\$111,660	107, 903
Heath Consultants Inc 9030 Monroe Rd Houston, TX 77061	Surveying Services	O&M, CAP	\$2,006,213	107, 874
Henkels & McCoy Inc 985 Jolly Rd Blue Bell, PA 19422	Pipeline Construction Services	CAP	\$60,471	107
Henry Ford Health System Occupational Health 1 Ford Pl, Ste 2F Detroit, MI 48202-3450	Healthcare Services	O&M, CAP	\$308,457	107, 903, 921, 925, 926
Hewitt Assoc 100 Half Day Rd Lincolnshire IL 60069-3242	Professional Services	O&M, CAP	\$782,857	107, 923, 926
Hewlett Packard Co. 8000 Foothills Blvd Roseville CA 95747-6588	Professional Services	O&M, CAP	\$142,216	107, 903, 921, 923
Hoergliger Services Inc 5613 DTC Parkway Greenwood Village, CO 80111	Construction Services	CAP	\$65,918	107
Holland Engineering 220 Hoover Blvd, Ste 2 Holland, MI 49423-3766	Surveying Services	O&M, CAP	\$366,050	107, 850
Honigman, Miller, Schwartz 660 Woodward Ave Detroit MI 48226	Legal Services	O&M, CAP	\$1,067,318	107, 253, 923
Horizon Environmental Corp 3011 W Grand Blvd Detroit MI 48202-3096	Environmental Services	O&M	\$82,403	253
Hughes Industrial Services 824 Phillip St E Sarnia ON N7T1Z6	Construction Services	O&M, CAP	\$53,600	107, 416
Hutchinson & Associates PC 1001 Woodward Ave, Suite 1760 Detroit MI 48226-1999	Legal Services	O&M, CAP	\$388,362	107, 923, 925
IC System Inc 444 Highway 96 E Saint Paul MN 55127-2557	Professional Services	O&M	\$74,348	903
ICF Resources LLC C/O Consulting Group Inc 9300 Lee Hwy Fairfax, VA 22031	Administrative Services	O&M	\$2,598,139	859, 905
Ideal Contracting LLC 2525 Clark St Detroit MI 48209-9703	Construction Services	O&M, CAP	\$89,021	107, 253
Ideo LLC 100 Forest Ave Palo Alto CA 94301	Administrative Services	O&M	\$186,000	908
Impact Bus Group Inc 4150 E Beltline, NE Suite 1 Grand Rapids MI 49525	Consulting Services	O&M	\$132,865	903
Industrial Electric Co of Detroit Inc 275 Milwaukee St Detroit, MI 22031	Equipment Repair Services	O&M, CAP	\$85,455	107, 921, 935

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2011

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Ittron Inc 2111 N Molter Rd1 Liberty Lake, WA	Meter Services	O&M, CAP	\$609,541	107, 902, 921
J & L Roofing Co. Inc 567 11th St NW Grand Rapids MI 49504	Construction Services	CAP	\$62,040	107
J Ferrara Home Service Corp 2810 Oakwood Blvd Melvindale, MI 48122-1243	Appliance Repair Services	O&M	\$225,239	912
JP Morgan Chase Bank P O Box 911953 Dallas TX 75391-1953	Administrative Services	O&M, CAP	\$65,621	107, 921
Jacks Heating & Cooling of Lapeer 1567 Imlay City Rd, Ste B Lapeer, MI 48446-3175	Appliance Repair Services	O&M	\$99,682	912
Janx Ray Services INC 8550 E Michigan Ave Parma, MI 49269	Testing and Analysis Services	O&M, CAP	\$574,590	107, 834
JF New and Associates Inc 708 Roosevelt Rd Walkerton IN 46574	Environmental Services	O&M, CAP	\$59,475	107, 863
Job Site Services Inc. 4395 Wilder Rd Bay City MI 48706	Engineering Services	O&M, CAP	\$4,079,554	107, 253
John A Papalas and Co 1187 Empire Ave Lincoln Park, MI 48146-2046	Construction Services	CAP	\$145,609	107
John P Jacobs PC 500 Griswold St., Suite 2825 Detroit MI 48226-3480	Legal Services	O&M, CAP	\$63,810	107, 923, 925
Johnson Controls Inc 2875 High Meadow Cir Auburn Hills, MI 48326	Equipment Repair Services	O&M	\$152,826	935
JPW Associates Inc Po Box 67 Haddon Heights, NJ 08035-0067	Equipment Repair Services	O&M	\$115,729	902
Kearsley Appliance 3104 Richfield Rd Flint, MI 48506-2522	Appliance Repair Services	O&M	\$90,967	912
Keltz Heating Air Conditioning Appliance Repair Service 1695 Valley Dr Highland, MI 48356	Appliance Repair Services	O&M	\$236,828	912
Kema Services Inc 67 S Bedford St, Ste 201 Burlington, Ma 01803	Administrative Services	O&M	\$1,845,455	905, 908
Kent Power Inc 90 Spring St Po Box 327 Kent City, MI 49330-9446	Underground Construction Services	O&M, CAP	\$6,166,044	107, 880, 887
Kenwhirl Appliance 8300 N Telegraph Rd Dearborn Heights MI 48127-1435	Appliance Repair Services	O&M	\$119,579	912
Kern International Inc 3940 Gantz, Suite A Grove City OH 43123	Printing & Mailing Services	O&M	\$53,387	903
Krueger Heating 28010 Harper Ave Saint Clair Shores, MI 48081-1562	Appliance Repair Services	O&M	\$189,763	912

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

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Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
KTM Mechanical Inc 9568 26 Mile Rd Casco Twp, MI 48064	Appliance Repair Services	O&M	\$171,116	912
Larson Construction Co Inc 7751 Aarwood Trl Nw Rapid City, MI 49676-9739	Construction Services	O&M, CAP	\$451,522	107, 864, 891
Law Offices Of Albert Taylor Nelson 101 W Big Beaver Rd, Ste 1000 Troy, MI 48084	Legal Services	O&M	\$71,192	925
Lewis And Mundy Pc 1300 First National Bldg, Ste 1300 Detroit, MI 48226-3500	Legal Services	O&M, CAP	\$130,490	107, 923, 925
Lexis Nexis Examen 3831 N Freeway Blvd, Ste 200 Sacramento, Ca 95834-1933	Legal Services	O&M, CAP	\$109,527	107, 923
Litigation Associates Pllc 30300 Northwestern Hwy Farmington Hills, MI 48334	Legal Services	O&M	\$209,754	903
Littler Mendelson Pc 650 California St, 20Th Fl San Francisco, Ca 94108	Legal Services	O&M	\$120,967	925
M L Chartier Inc 9195 Marine City Hwy Fair Haven, MI 48023-1221	Construction Services	O&M, CAP	\$441,229	107, 416, 834, 863, 891
Maintenance Contracting LLC 4404 Mitchell Rd Se Kalkaska, MI 49646-9683	Construction Services	O&M, CAP	\$167,911	107, 416, 818, 832, 833, 834, 853, 856, 857, 863, 877, 891
McDonald Hopkins LLC 600 Superior Ave E, Suite 2100 Cleveland OH 44114	Legal Services	O&M	\$118,690	925
MCI Worldcom Network Services Inc 22001 Loudoun County Pkwy Ashburn, Va 20147-6105	Communication Services	O&M, CAP	\$1,151,694	107, 866, 903, 910, 921
Meade Inc 9550 W 55th St., Suite A McCook IL 60525	Underground Construction Services	CAP	\$2,078,118	107
Medco Health Solutions Inc. Po Box 945551 Atlanta, Ga 30394-5551	Healthcare Services	O&M	\$165,894	926
Metro Engineering Solutions LLC 6001 Schooner Belleville MI 48112	Engineering Services	CAP	\$176,690	107
Metro Environmental Controls Inc 12930 Cloverdale Oak Park, IL 48237	Underground Construction Services	CAP	\$127,946	107
Metrocall Inc 1851 B R W Berends Dr Sw Wyoming, MI 49509	Communication Services	O&M, CAP	\$53,508	107, 866, 903, 910, 921,
Metropolitan Appliance Service LLC 3052 Heights Ravenna Rd Muskegon, MI 49444-3438	Appliance Repair Services	O&M	\$58,647	912
Michael J Whims Consulting Llc 1014 Iroquois Blvd Royal Oak, MI 48067	Engineering Services	CAP	\$100,820	107
Michigan Tractor And Machinery Co 24800 Novi Rd Novi, MI 48375	Equipment Rental Services	O&M, CAP	\$266,330	107, 416, 832, 833, 834

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

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Michigan Wireline Services INC 4854 E River Road Mt. Pleasant, MI 48858-9203	Equipment Maint & Repair Service	O&M, CAP	\$55,999	107, 830
Mich-Tech One Corp. 10124 Willis Rd. Willis, MI 48191-9750	Appliance Repair Services	O&M	\$175,227	912
Mid State Oil Tools Inc 1934 Commercial Mt Pleasant MI 48858-8913	Drilling & Equipment Repair Services	CAP	\$92,662	107
Midland Resource Recovery Inc. 16560 Myers Rd. Luneburg, On K2C1R0	Waste Removal Services	O&M, CAP	\$153,304	107, 891
Miller Canfield Paddock And Stone 150 W Jefferson Ave Detroit, MI 48226-4416	Legal Services	O&M, CAP	\$247,822	107,923,925
Miller Pipeline Corp 8850 Crawfordsville Rd Indianapolis IN 46234-1559	Construction Services	O&M, CAP	\$4,556,837	107,877,878,887,889
Miss Dig System Inc 3285 Lapeer Rd W Auburn Hills, MI 48326	Underground Construction Services	O&M, CAP	\$304,021	107,856,874,923
Monroe Refrigeration & Heating INC 5097 N Dixie Hwy Newport, MI 48166-9060	Appliance Repair Services	O&M	\$161,423	912
Motor City Electric Utilities Co 9440 Grinnell St Detroit, MI 48213-1151	Engineering Services	CAP	\$74,713	107
National Business Supply Inc 2595 Bellingham Dr Troy, MI 48063-2036	Building Maint & Repair Services	O&M, CAP	\$153,684	107,833,880,903,923
National Tank Co DBA NATCO 11210 EQUITY DR STE 100 Houston, TX 77041	Pipeline Services	O&M, CAP	\$58,413	107,877,891
Natl Heating Co Inc 12824 Fenkell St Detroit, MI 48227-4065	Appliance Repair Services	O&M	\$164,971	912
NCO Financial Systems Inc. 507 Prudential Rd. Horsham, PA 19044	Marketing Services	O&M	\$6,443,259	880,903,910,912
Newman Consulting Group LLC 6600 Valley Spring Dr. Bloomfield Hills, MI 48301-2841	Consulting Services	O&M	\$72,700	908
Nordstrom Samson & Associates Inc. DBA: NSA Architects Engineers Planne 23761 Research Dr. Farmington Hills, MI 48335	Architectural Services	O&M, CAP	\$124,300	107,912,923,935
North Star HR Corp 2000 Twon Ctr Ste 1900 Southfield, MI 48075	Administrative Services	O&M	\$262,621	880, 926
Northern Ind Construction Inc 2316 Pleasant Valley Rd Boyne City MI 49712-9767	Construction Services	O&M, CAP	\$423,664	107, 416, 834
Nth Consultants Ltd 2000 Brush St Detroit, MI 48226	Engineering Services	O&M, CAP	\$385,165	107, 850, 923
OCE North America Inc. 5450 N. Cumberland Ave Chicago, IL 60656	Professional Services	O&M	\$124,580	850, 903

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

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Ogletree Deakins Nash Smoak & Stewart PC PO Box 2757 Greenville, SC 29602	Legal Services	O&M	\$86,325	925
Oscar W Larson Co 10100 Dixie Hwy Clarkston, MI 48348-2414	Equipment Rental Services	O&M, CAP	\$97,779	107, 923, 935
P J Steel Supply LLC 277 Seeley Rd. Kalkaska, MI 49646	Construction Services	CAP	\$550,426	107
Paradigm Liaison Services Llc PO Box 9123 Wichita, KS 67277	Training Services	O&M	\$53,971	880
PB Energy Storage Services Inc. 16285 Park Ten Place 4th Fl Houston, TX 77079	Construction Services	CAP	\$52,269	107
Pepper Hamilton LLP 100 Renaissance Ctr, Room 36 Detroit MI 48243-1157	Legal Services	O&M, CAP	\$530,880	107, 253, 923, 925
Performance Engineering Group Inc. 32995 Industrial Rd. Livonia, MI 48150	Equipment Maint & Repair Service	O&M	\$70,047	879
PII North America LLC 7105 Business Park Dr. Houston, TX 77041	Pipeline Services	CAP	\$643,149	107
Pipeline & Hazardous Material P O Box 25082 Oklahoma City OK 73125-4915	Administrative Services	O&M	\$540,564	880
Port City Communications Inc 942 Military St Port Huron MI 48060	Communication Services	O&M, CAP	\$113,029	926
Precision Temp Heating & Cooling 51452 Oro Rd. Shelby Twp, MI 48315	Appliance Repair Services	O&M	\$367,277	912
Preiss Outdoor Services & Supply 8211 Clyde Rd. Fenton, MI 48430-9232	Grounds Maintenance Services	O&M, CAP	\$1,202,000	107, 856, 864, 874
Price Waterhouse Coopers LLP 3109 W. Dr. M L King Jr. Blvd. Tampa, FL 33607	Consulting Services	O&M, CAP	\$1,160,059	107, 923
Pro Mow Lawn Care LLC 2560 100th Street SW Byron Center, MI 49315	Building Maint & Repair Services	O&M, CAP	\$54,876	107, 877, 902, 903, 923, 935
Pro Services INC PO Box 610548 Port Huron, MI 48061-0548	Hazardous Waste Services	O&M, CAP	\$77,122	107, 416
Quality Refrigeration Service Inc. 35985 Mound Sterling Heights, MI 48310-4732	Appliance Repair Services	O&M	\$125,188	912
Quorum Bus Solutions (USA) INC. 1420 W. Mockingbird Ln Ste 700 Dallas, Tx 75247	Engineering Services	O&M, CAP	\$635,352	107, 851
R And D Custom Builders INC. 3820S. Lachance Rd. Lake City, MI 49651-8965	Construction Services	O&M, CAP	\$1,311,205	107, 893, 903, 935
R G Eisenhardt Contracting Inc 9738 Gratiot Ave Columbus, MI 48063-4121	Excavation Services	O&M, CAP	\$63,919	107, 416, 832, 834

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R L Coolsaet Construction Co. 28800 Goddard Rd. Romulus, MI 48174-2702	Construction Services	O&M, CAP	\$7,872,399	107, 416, 887, 889
R L Morris & Sons Construction Co. 8398 Vallet Rd. P.O. Box 537 Kalkaska, MI 49646-9420	Construction Services	CAP	\$388,334	107
Raymond Excavating Co. 800 Gratiot Blvd. Marysvills, MI 48040-1127	Construction Services	O&M, CAP	\$76,614	107, 894
Raytheon Professional Services LLC 1919 Technology Dr. Troy, MI 48083-4245	Training Services	O&M, CAP	\$976,065	107, 824, 859,880,923
RCB Industries Inc 1030 N Crpoks Rd, Ste G Clawson, MI 48017-1020	IT Telecom Services	O&M, CAP	\$92,694	107, 874, 903, 921
Research Data Analysis INC. 450 Enterprise Ct. Bloomfield Hills, MI 48302-0306	Marketing Services	O&M	\$84,701	859, 880, 902, 903
Revenew International LLC 14100 Southwest Fwy, Ste 320 Sugar land, TX 77478	Consulting Services	O&M, CAP	\$69,524	107, 923
Ricoh Americas Corp 5 Dedrick Pl, W Caldwell, NJ 07006-6304	IT Telecom Services	O&M, CAP	\$267,792	107, 426, 880,889,902,903,912,921,923,925
RMT Inc 744 Heartland Trl Madison, WI 53717-1937	Environmental Services	CAP	\$279,001	107,253
Roose Contracting 2674 S. Huron Rd. Kawkawlin, MI 48631-9153	Construction Services	CAP	\$629,686	107
Rotondo Construction Corp. 20771 Randall St. Farmington Hills, MI 48336	Building Maint & Repair Services	O&M, CAP	\$115,209	107, 877, 902, 903, 923, 935
Royal Roofing Co. INC. 2445 Brown Rd. Orion, MI 48359	Construction Services	O&M, CAP	\$85,236	107, 923,935
Rudolph Libbe INC. 6494 Latcha Rd. Walbridge, OH 43465-9788	Construction Services	O&M, CAP	\$1,363,450	107, 253,935
SAP Industries Inc. 3999 W. Chester Pike Newton Square, PA 19073	IT Services	O&M, CAP	\$116,599	107, 921
Schafers Appliance Service 34272 Armanda Ridge Richmond, MI 48062	Appliance Repair Services	O&M	\$111,921	912
SCSR INC. DBA: Phil's Services 50 S. Williams Lake Rd. White Lake , MI 48386	Appliance Repair Services	O&M	\$874,784	912
Seel LLC 7140 W. Fort St. Detroit, MI 48302	Administrative Services	O&M	\$3,232,190	905, 908
Seiler Tank Truck Service Inc 26791 W Michigan Ave Albion, MI 49224-9503	Waste Removal Services	O&M, CAP	\$119,890	107, 818
Senn Delaney Leadership Consulting Group LLC 3780 Kilroy Airport Way Ste 800 Long Beach, Ca 90806	Consulting Services	O&M, CAP	\$277,544	107, 923

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

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Service Pro Plumbing & Electrical DBA: Tru Temp Heating & Cooling 44300 Grand River Ave. Novi, MI 48375	Appliance Repair Services	O&M	\$121,116	912
Sieb Plumbing & Heating Inc 303 E Front St Monroe, MI 48161-2099	Appliance Repair Services	O&M	\$104,888	912
Simplexgrinnell LP 24755 Halsted Rd. Farmington Hills, MI 48335	Security Services	O&M, CAP	\$99,457	107, 923, 935
South Lyon Fence Co Inc 53583 Grand River Ave New Hudson, MI 48165-8522	Professional Services	O&M, CAP	\$101,410	107, 416, 921, 923, 935
Southeastern Equip Co Inc 10874 E Pike Rd Cambridge, Oh 43725	Vehicle Maint. & Repair Services	CAP	\$52,330	107
Spection LLC PO Box 190 Parma, MI 49269-0190	Pipeline Services	O&M, CAP	\$2,265,198	107, 416, 834, 850
Sprint Po Box 4191 Carol Stream, Il 60197-4191	Communication Services	O&M, CAP	\$364,265	107, 866, 903, 921
Stantec Consulting Michigan Inc 3959 Research Park Dr Ann Arbor, MI 48108-2216	Professional Services	O&M, CAP	\$127,920	107, 253
Strategic Staffing Solutions Inc. 645 Griswold St. Ste #2900 Detroit, MI 48226-4105	Personnel Services	O&M, CAP	\$3,298,614	107, 426.4, 823, 859, 866, 880 902, 903, 909, 910, 923, 935
Suburban Ford of Sterling Heights 40333 Van Dyke Sterling Heights, MI 48313	Vehicle Maint. & Repair Services	CAP	\$5,897,799	107
Sun Heating and Cooling 756 Industrial Ct. Bloomfield Hills, MI 48302-0380	Appliance Repair Services	O&M	\$344,919	912
Superior Heating & Cooling INC. 8015 Gratiot Ave. Columbus, MI 48063	Appliance Repair Services	O&M	\$82,647	912
Supreme Heating & Cooling LLC 14641 E. Warren Ave. Detroit, MI 48215	Appliance Repair Services	O&M	\$135,954	912
Swan Electric Co Inc 101 Mcvannel Drive Gaylord, MI 49734	Equipment Maint & Repair Service	O&M, CAP	\$92,382	107, 877, 891
Swenski Tree Service INC. 113 Buntrock Rd. Iron River, MI 49935-8271	Grounds Maintenance Services	O&M, CAP	\$240,070	107, 863
Target Point Consulting INC. Michael Meyers 107 S. West St. Alexandria, VA 22314-2824	Consulting Services	O&M	\$91,140	426.4
TDW Services Inc 6747 S 65 W Ave Tulsa, Ok 74131	Pipeline Services	CAP	\$92,480	107
Telelanguage Inc 514 SW 6Th Ave 4th Fl Portland, Or 97204	Marketing Services	O&M	\$61,985	903, 912
Telvent USA INC. 10333 Southprt Road SW, Suite 200 Calgary, AB T2W 3X6	IT Services	O&M, CAP	\$515,193	107, 866

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2011

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
The Bradley Co 6960 Orchard Lake Rd Ste 149 West Bloomfield, MI 48334	Marketing Services	O&M, CAP	\$453,556	107, 416, 426.1, 834, 850, 880 903, 905, 909, 910, 921, 923
The Energy Group Inc PO Box 36934 Grosse Pointe Farms, MI 48236-0934	Construction Services	O&M	\$550,746	903, 935
The Goodyear Tire & Rubber Co 1144 E Market St Akron, OH 44316-1000	Vehicle Maint. & Repair Services	O&M, CAP	\$323,975	107, 921, 923
The Hertz Corp/Hertz Equipment Rental Corp 14501 Hertz Quail Springs Pkwy Oklahoma City, OK 73134	Equipment Rental Services	O&M, CAP	\$140,275	107, 892
The King Co Inc 13520 Barry St Holland, MI 49424	Environmental Services	CAP	\$80,600	107
Thomson Reuters Healthcare INC. 777 E. Eisenhower Pkwy. Ann Arbor, MI 48108	Healthcare Services	O&M	\$125,242	926
Tom Bynum DBA: AAA Bynum 9380 Lakepointe Clay Township, MI 48001	Appliance Repair Services	O&M	\$81,251	912
Trane US INC. 3600 Pammel Creek Rd. La Crosse, WI 54601	Equipment Repair Services	O&M, CAP	\$53,480	107, 935
Transporation Regulatory 361 S Fontage Rd, Ste 123 Burr Ridge IL 60217	Vehicle Maint. & Repair Services	O&M, CAP	\$178,678	107, 923
TRC Environmental Corp 21 Griffin Rd N Windsor, CT 06095	Environmental Services	O&M	\$66,454	253
TRG Customer Solutions Inc. 8375 Dix Ellis Trail Ste 101 Jacksonville, FL 32256	Marketing Services	O&M	\$1,023,412	912
Trimatrix Laboratories Inc 5560 Corporate Exchange Ct Se Grand Rapids, MI 49512-5503	Technical Services	O&M, CAP	\$77,176	107, 253, 935
Truck Tech Engineers Inc. 38921 Ford Rd. Westland, MI 48185-1965	Vehicle Maint. & Repair Services	O&M, CAP	\$828,699	107, 923
UMS Group Inc 5 Sylvan Way Ste 120 Parsippany, NJ 07054	Consulting Services	CAP	\$50,000	107
Unibar Maintenance Service Inc 4325 Concourse Dr Ann Arbor MI 48108	Meter Services	O&M	\$3,614,050	902, 903
US Security Associates Inc. 200 Mansell Ct., Suite 500 Roswell, Ga 30076	Security Services	O&M, CAP	\$964,367	107, 426.1, 874, 902 903, 923, 935
Utility Resource Group Llc 49751 W Central Park Shelby Township, MI 48317	Surveying Services	O&M	\$749,096	874, 902
Vanguard Fire & Security Systems Inc. 2101 Martindale Ave. Sw Grand Rapids, MI 49509-1837	Fire Protection Services	O&M, CAP	\$425,069	107, 935
Vesco Oil Corp 16055 W 12 Mile Rd Southfield, MI 48076-2979	Vehicle Maint. & Repair Services	O&M, CAP	\$71,272	107, 921

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2011

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Vision Metering Llc 7 Ross Cannon St York, Sc 29745	Meter Services	CAP	\$125,117	107
Warm Training Ctr 4835 Michigan Ave Detroit, MI 48210	Training Services	O&M	\$56,147	874, 908
Waste Mgmt. Of Michigan Inc. 48797 Alpha Dr., Suite 150 Wixom, MI 48393	Waste Removal Services	O&M, CAP	\$263,432	107, 253, 416, 834, 874, 935
Welded Construction Lp 26933 Eckel Rd Perrysburg, Oh 43551-1215	Construction Services	CAP	\$1,634,441	107
Wells Fargo Shareowner Services 161 N Concord Exchange South St Paul, Mn 55075	Financial Services	O&M	\$97,917	930.2
Western Michigan Fleet Parts Inc 18 E Washington Ave Zeeland, MI 49464-1298	Vehicle Maint. & Repair Services	O&M, CAP	\$93,775	107, 921
Wind Lake Solutions Inc. 400 Bay View Rd., Suite A Mukwonago, WI 53149-1745	Technical Services	O&M, CAP	\$282,391	107, 887, 892
Wireless Matrix USA 13645 Dulles Technologies Ste 100 Herndon, Va 20171	Vehicle Maint. & Repair Services	O&M, CAP	\$88,382	107, 921
Wolverine Truck Sales Inc. 3550 Wyoming St Dearborn, MI 48120-1425	Vehicle Maint. & Repair Services	O&M, CAP	\$600,026	107, 921

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011	
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES					
1. In column (a) report the name of the associated company. 2. In column (b) describe the affiliation (percentage ownership, etc.). 3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, gas transportation services, dividends declared, etc.). 4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	Citizens Gas Fuel Company	Subsidiary of DTE Enterprises	Admin. & General	920-00 - 926-00	1,675
2			Tax Other than Income	408-10	149
3					
4	DTE Energy Resources, Inc.	Subsidiary of DTE Energy Company	Admin. & General	920-00 - 926-00	227
5	DTE Biomass Energy, Inc.	Subsidiary of DTE Energy Resources	Admin. & General	920-00 - 926-00	-
6	South Romeo Gas Storage Company	Subsidiary of DTE Gas Storage Company	Admin. & General	920-00 - 926-00	18,502
7			Tax Other than Income	408-10	1,136
8					-
9	MichCon Pipeline Company	Subsidiary of DTE Pipeline Company	Admin. & General	920-00 - 926-00	9,467
10			Tax Other than Income	408-10	499
11			Operations	850-00 - 880-00	30,545
12					-
13	DTE Energy Corporate Services, LLC	Subsidiary of DTE Energy Company	Gas Transportation	489-20	52,014
14			Commercial & Indust Sales	481-00	71,634
15					-
16	DTE East China, LLC	Subsidiary of DTE Energy Services, Inc.	Gas Transportation	489-20 - 489-40	102,000
17			Tax Other than Income	408-10	79
18			Admin. & General	920-00 - 926-00	1,584
19					-
20	Metro Energy, LLC		Admin. & General	489-20	26,570
21					-
22	DTE Energy Ventures, Inc.	Subsidiary of DTE Energy Company	Tax Other than Income	408-10	1,069
23			Admin. & General	920-00 - 926-00	21,144
24					-
25	DTE River Rouge No. 1, L.L.C.	Subsidiary of DTE Energy Resources	Gas Transportation	489-20	111,670
26			Tax Other than Income	408-10	13
27			Admin. & General	920-00 - 926-00	267
28					-
29	DTE Energy Services, Inc.	Subsidiary of DTE Energy Resources	Admin. & General	920-00 - 926-00	458
30					-
31	EES Coke Battery, LLC	Subsidiary of DTE Energy Services, Inc.	Tax Other than Income	408-10	3,538
32			Admin. & General	920-00 - 926-00	85,721
33					-
34	MichCon Gathering Company	Subsidiary of MichCon Pipeline Company	Admin. & General	920-00 - 926-00	1,510,105
35			Operations	806-00, 850-00 - 880-00	1,138,558
36			Tax Other than Income	408-10	51,954
37					-
38	Saginaw Bay Pipeline Company	Subsidiary of MichCon	Admin. & General	920-00 - 926-00	148,071
39			Tax Other than Income	408-10	3,362
40			Operations	850-00 - 880-00	48,891
41					-
42	DTE Energy Trading, Inc.	Subsidiary of DTE Energy Resources	Gas Transportation	489-20 - 489-40	1,393,276
43			Tax Other than Income	408-10	42,750
44			Admin. & General	920-00 - 926-00	814,401
45					-
46	DTE Pipeline Company	Subsidiary of MCN Energy Enterprises	Tax Other than Income	408-10	1,584
47			Admin. & General	920-00 - 926-00	29,870
48					-
49	DTE Gas Storage Co.	Subsidiary of DTE Pipeline Company	Operations	495-00, 806-00 - 880-00	530,037
50			Merch/Job Revenue	415-9	-
51			Tax Other than Income	408-10	19,697
52			Admin. & General	920-00 - 926-00	377,472
53					-
54	The Detroit Edison Company	Subsidiary of DTE Energy Company	Gas Transportation	489-20	765,580
55			Admin. & General	494-00	788,016
56			Operations	856-00 - 879-00	1,312,035
57			Admin. & General	920-00 - 926-00, 903-00, 935-00	104,252
58			Non-Utility Oper Rev	417-00	-
59			Tax Other than Income	408-10	6,547
60			Commercial & Indust Sales	481-00	42,915
61					-
62	MichCon Lateral Company	Subsidiary of MichCon Pipeline Company	Admin. & General	920-00 - 926-00	1,100,396
63			Operations	850-00 - 880-00	211,404
64			Tax Other than Income	408-10	43,132
65					-
66	MichCon Fuel Services Company	Subsidiary of MichCon Holdings	Admin. & General	920-00 - 926-00	31,181
67			Operations	850-00 - 880-00	154,359
68			Tax Other than Income	408-10	1,561
69			Commercial & Indust Sales	481-00	469,943
TOTAL					11,681,310

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2011	
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
5.		In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.				
6.		In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.				
7.		In column (j) report the total.				
8.		In column (k) indicate the pricing method (cost, per contract terms, etc.).				
Account Number (f)	Amount Classified to Non-operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
415-00	2,400,000	146-00	69,121	70,796	cost	1
				149	cost	2
						3
		146-00	2,299	2,526	cost	4
		146-00	1,026	1,026	cost	5
		146-00	4,488	22,990	cost	6
				1,136	cost	7
						8
		146-00	921	10,388	cost	9
				499	cost	10
				30,545	cost	11
						12
		146-00	719,926	771,940	contract	13
				71,634	contract	14
						15
		146-00	35	102,035	contract	16
				79	cost	17
				1,584	cost	18
				-		19
				26,570	contract	20
						21
		146-00	9,209	10,278	cost	22
				21,144	cost	23
						24
		146-00	21	111,691	contract	25
				13	cost	26
				267	cost	27
						28
		146-00	44	502	cost	29
						30
		146-00	3,582	7,120	cost	31
				85,721	cost	32
						33
		146-00	194,116	1,704,221	cost	34
				1,138,558	cost	35
				51,954	cost	36
						37
		146-00	5,641	153,712	cost	38
				3,362	cost	39
				48,891	cost	40
						41
		146-00	99,383	1,492,659	contract	42
				42,750	cost	43
				814,401	cost	44
						45
		146-00	444,634	446,218	cost	46
				29,870	cost	47
						48
		146-00	404,609	934,646	cost	49
				2,400,000	cost	50
				19,697	cost	51
				377,472	cost	52
						53
		146-00	529,934	1,295,514	contract	54
				788,016	cost	55
				1,312,035	cost	56
				104,252	cost	57
		417-00	52,791	52,791	cost	58
				6,547	cost	59
				42,915	contract	60
						61
		146-00	144,093	1,244,489	cost	62
				211,404	cost	63
				43,132	cost	64
						65
		146-00	993,790	1,024,971	cost	66
				154,359	cost	67
				1,561	cost	68
				469,943	contract	69
	2,452,791		3,626,872	17,760,973		

SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES

1. In column (a) report the name of the associated company.
 2. In column (b) describe the affiliation (percentage ownership, etc.).
 3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, gas transportation services, dividends declared, etc.).
 4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.

Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	DTE Energy Company	Parent of DTE Enterprises	A&G Expense	920-935	967,212
2					
3	The Detroit Edison Company	Subsidiary of DTE Energy Co.	O&M Expense	580, 816-893	124,388
4			Customer Service	902-916	1,886,105
5			Sales Promotion	911 - 913	9,584
6			A&G Expense	920 - 926	96,321
7			Rent Expense	931	17,442,420
8			Construction		
9					
10	DTE Energy Corporate Services, LLC	Subsidiary of DTE Energy Company	O&M Expense	816-893	10,224,347
11			Customer Service	901 - 910, 916	43,786,534
12			Sales Promotion	911 - 913	392,005
13			A&G Expense	920 - 930	72,587,055
14			Taxes Other	408	3,441,914
15			Miscellaneous Non-op		
16			Construction		
17					
18	Blue Lake Holdings, Inc.	Subsidiary of MichCon	Interest Expense		
19					
20	MichCon Gathering Company	Subsidiary of MichCon Pipeline Company	O&M Expense	804, 806	3,918,225
21			Interest Expense		
22					
23	Saginaw Bay Pipeline Company	Subsidiary of MichCon	Interest Expense		
24					
25	DTE Gas Storage Company	Subsidiary of MCN Energy Enterprises, Inc.	O&M Expense	804 - 859	165,000
26					
27	EES Coke Battery	Subsidiary of DTE Energy Services, Inc	Miscellaneous Non-op		
28					
29					
30					
TOTAL					155,041,110

SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES (Continued)

5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.

6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.

7. In column (j) report the total.

8. In column (k) indicate the pricing method (cost, per contract terms, etc.).

Account Number (f)	Amount Classified to Non-operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
				967,212	Cost	1
						2
				124,388	Cost	3
				1,886,105	Cost	4
				9,584	Cost	5
				96,321	Cost	6
				17,442,420	Cost	7
		106	1,102,813	1,102,813	Cost	8
						9
				10,224,347	Cost	10
				43,786,536	Cost	11
				392,005	Cost	12
				72,587,055	Cost	13
				3,441,914	Cost	14
415 - 426	1,645,852			1,645,852	Cost	15
		106	20,246,792	20,246,792	Cost	16
						17
430	15,836			15,836	Cost	18
						19
				3,918,225	Cost	20
430	1,720			1,720	Cost	21
						22
430	583			583	Cost	23
						24
				165,000	Cost	25
						26
421	146,810			146,810	Cost	27
						28
						29
						30
	1,810,801		21,349,605	178,201,518		

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2011	
NATURAL GAS RESERVES AND LAND ACREAGE						
<p>1. Report below particulars (details) concerning the remaining recoverable salable gas reserves and natural gas land acreage at end of year. Designate gas reserves on acreage acquired before October 8, 1969, and reserves on acreage acquired after October 7, 1969.</p> <p>2. Classify the gas reserves and related land and land rights and costs under the sub-headings: (A) Producing Gas Lands, and (B) Non-producing Gas Lands. Provide a total for each classification.</p> <p>3. For producing gas lands, report the required information alphabetically by State, County, or offshore area, and field. If the field name is not assigned, report as "unnamed." Identify offshore fields according to their location in State or Federal domains by using the letter "S" for State domain, and "F" for Federal domain in column (a). For column (b), enter the zone number if applicable. The land, leasehold, and gas rights costs so reported should agree with the amounts carried under Account 101, Gas Plant in Service, and as reported for Accounts 325.1, 325.2, and 325.3 on page 204-205. In column (e) show for each field the year and remaining recoverable salable gas reserves available to respondent from owned lands, leaseholds, and gas rights.</p> <p>4. For non-producing gas lands, report the required information alphabetically by State, County, or offshore areas by blocks. Report offshore lands in the same manner as producing gas lands. The land,</p>						
Line No.	OFFSHORE AREA		Name of Field or Block (c)	Name of State/ County/Offshore Area (d)	Recoverable Gas Reserves (Thousands Mcf) (e)	OWNED LANDS
	Domain (a)	Zone (b)				Acres (f)
1			A. PRODUCING	Michigan		
2			GAS LANDS	(Acquired before 10-8-69)		
3			Big Hand	St. Clair Co.		1.0
4						
5						
6						
7						
8						
9						
10				Subtotal	0	1.0
11						
12						-
13						
14				Subtotal	0	0.0
15				Total Recoverable Reserves	0	1.0
16			B. NON-PRODUCING			
17			GAS LANDS			
18						
19						
20				Subtotal	-	-
21						
22						
23						
24						
25						
26						
27				Subtotal	-	-
28				Total Non - Producing Gas Lands	-	-
29						
30						
31						
32						
33						
34						
35						
36						
37						
38	TOTAL				0	1.0

MICHIGAN CONSOLIDATED GAS COMPANY				AN ORIGINAL		December 31, 2011	
NATURAL GAS RESERVES AND LAND ACREAGE (Continued)							
<p>leasehold , and gas rights costs reported should agree with the amounts carried under Accounts 105, Gas Plant Held for Future Use and 105.1, Production Properties Held for Future Use, and reported in total on pages 214 and 215. Do not report estimates of gas reserves (column e) for unproven fields; however, if the company made estimates for such lands normally includes such estimates in stating its reserve position in connection with proposed financing and for managerial and other purposes, include such estimates on this page.</p> <p>5. Report the cost of lands, leaseholds, and gas rights in accordance with the provisions of the Uniform Systems of Accounts for Natural Gas Companies.</p> <p>6. For columns (j) and (k), do not duplicate acreages reported for owned lands and leaseholds. Designate with an asterisk royalty interests separately owned.</p> <p>7. Indicate by footnote whether acres reported are gross acres or net acres based on proportion of ownership in jointly owned tracts.</p> <p>8. Do not include oil mineral interests in the cost of acreage reported.</p> <p>9. Report volumes on a pressure base of 14.73 psia at 60°F.</p>							
OWNED LANDS (Cont.)	LEASEHOLDS		OWNED GAS RIGHTS		TOTAL		Line No.
Cost (g)	Acre (h)	Costs (i)	Acre (j)	Costs (k)	Acre (l)	Costs (m)	
\$3,838			-	-	1.0	\$3,838	1
							2
							3
							4
							5
			-	-	0.0	0	6
							7
							8
							9
3,838	0.0	0	-	0	1.0	3,838	10
-	-	-	-	-			11
							12
0	-	-	-	-	0.0	0	13
3,838	0.0	0	-	0	1.0	3,838	14
							15
							16
-			-	-	0.0	0	17
-			-	-	-	0	18
-	0.0	0	-	-	0.0	0	19
							20
-			-	-		-	21
-			-	-	0.0	0	22
-			-	-		-	23
-			-	-	0.0	0	24
-			-	-		-	25
-			-	-		-	26
-			-	-		-	27
-	0.0	0	-	-	0.0	0	28
-	0.0	0	-	-	0.0	0	29
							30
							31
							32
							33
							34
							35
							36
							37
\$3,838	0.0	\$0	-	\$0	1.0	\$3,838	38

EXPLANATION OF DIFFERENCES BETWEEN BALANCES
AS REPORTED IN ACCT. 325.1, 325.2, AND
325.3, ON PAGE 202A AND COST OF PRODUCING GAS LAND REPORTED
ON PAGES 500-501

PAGE 202AAccounts

325.1	Col. (g)	\$3,838
325.1	Col. (k)	
	Total	<u>3,838</u>

PAGE 500-501

Col. (m)	<u>3,838</u>
Difference*	<u><u>\$0</u></u>

*Oil interest not included on Page 500-501, per instruction No. 8.

325.2	Previous account 325-81 loc. 9313	\$1,142
325.2	Previous account 325-91 loc. 9321	<u>376</u>
	Total	<u><u>\$1,518</u></u>

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MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011	
COMPRESSOR STATIONS					
<p>1. Report below particulars (details) concerning compressor stations. Use the following subheadings: field compressor stations, products extraction compressor stations, underground storage compressor stations, transmission compressor stations, distribution compressor stations, and other compressor stations.</p> <p>2. For column (a), indicate the production areas where such stations are used. Relatively small field compressor stations may be grouped by production areas. Show the number of stations grouped. Designate any station held under a title other than full ownership. State in a footnote the name of owner or co-owner, the nature of respondent's title, and percent of ownership, if jointly owned.</p>					
Line No.	Name of Station and Location (a)	Number of Employees (1) (b)	Plant Cost (c)		
1	<u>FIELD COMPRESSOR STATIONS</u>				
2					
3					
4					
5	<u>UNDERGROUND STORAGE COMPRESSOR STATIONS</u>				
6	Columbus Station (site 6328)				
7	Columbus Twp., St. Clair Co.		\$22,588,996		
8	Belle River Mills Station (site 6840)				
9	China Twp., St. Clair Co.		137,082,352		
10	W. C. Taggart Compressor Station (site 6963)				
11	Belvidere Twp., Montcalm Co.		69,303,292		
12	TOTAL				
13	<u>TRANSMISSION COMPRESSOR STATIONS</u>				
14	Kalkaska Station (site 6740)				
15	Kalkaska Twp., Kalkaska Co.		33,207,700		
16	Milford Station (site 6535)				
17	Milford Twp., Oakland Co.		29,167,272		
18	Reed City Compressor Station (site 6040)				
19	Lincoln Twp., Osceola Co.		1,979,098		
20	Willow Run Compressor Station (site 1950)				
21	Ypsilanti Twp., Washtenaw Co.		23,867,218		
22					
23					
24					
25					
26					
27					
28	Alpena Station (site 6988)				
29	Hamilton Twp., Clare Co.		3,568,029		
30	6 Satellite Stations				
31	Various Locations		640,360		
32					
33	<u>DISTRIBUTION COMPRESSOR STATION</u>				
34					
35					
36					
37	<u>OTHER COMPRESSOR STATIONS</u>				
38					
39					

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2011	
COMPRESSOR STATIONS						
Designate any station that was not operated during the past year. State in a footnote whether the book cost of station has been retired in the books of account, or what disposition of the station and its book cost are contemplated. Designate any compressor units in transmission compressor stations installed and put into during the year and show in a footnote the size of each such unit, and the date each such unit was placed in operation.						
3. For column (d), include the type of fuel or power, if other than natural gas. If two types of fuel or power are used, show separate entries for natural gas and the other fuel or power.						
Fuel or Power (2) (d)	Other (2) (e)	Gas for Comps. Fuel Mcf (14.73 psia at 60°F) (f)	Operation Data			Line No.
			Total Compressor Hours of Operation During Year (g)	No. of Compr. Operated at time of Station Peak (h)	Date of Station Peak (i)	
						1
						2
						3
						4
						5
						6
0	\$550,829	89,768	4,441	2	10/05/2011	7
						8
\$67,012	5,520,307	928,540	24,998	5	10/25/2011	9
						10
221,573	2,011,496	297,891	16,778	18	1/27/2011	11
						12
						13
						14
130,947	739,232	120,775	9,003	2	7/04/2011	15
						16
19,098	1,186,694	193,822	7,843	3	9/23/2011	17
						18
0	0	0	N/A	N/A	N/A	19
						20
0	316,619	53,526	2,323	1	6/26/2011	21
						22
						23
						24
						25
						26
						27
						28
0	7,827	1,228	N/A	N/A	N/A	29
						30
0	0	0	25,679	3	7/4/2011	31
						32
						33
						34
						35
						36
						37
						38
						39

COMPRESSOR STATIONS

MICHIGAN CONSOLIDATED GAS COMPANY
COMPRESSOR STATIONS
YEAR ENDED DECEMBER 31, 2011

- (1) Respondent does not maintain separate payrolls for compressor stations.
(2) Column (d) represents the cost of electric power and column (e) represents Natural Gas used by the Company at the respective compressor stations.

(3) Retired Locations

Name of Station

Type

Unit #

Maple Grove 16 (Harju 1-16) #7503

439

(Sold)

(4) Location Transfer

Manistee 17 #6119

Transfer to

Kalkaska Yard #6734

Unit#

435

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MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2011
GAS STORAGE PROJECTS			
1. Report particulars (details) for total gas storage projects. 2. Total storage plant (Column b) should agree with amounts reported by the respondent in Acct's 350.1 to 364.8 inclusive (pages 204-205). 3. Give particulars (details) of any gas stored for the benefit of another company under a gas exchange arrangement or on basis of purchase and resale to other company. Designate with an asterisk if other company is an associated company.			
Line No.	Item (a)	Total Amount (b)	
1	Natural Gas Storage Plant		
2	Land and Land Rights	\$9,323,713	
3	Structures and Improvements	19,584,990	
4	Storage Wells and Holders	92,231,273	
5	Storage Lines	37,053,022	
6	Other Storage Equipment	210,754,067	
7	TOTAL (Enter Total of Lines 2 Thru 6)	\$368,947,065	
8	Storage Expenses		
9	Operation	\$13,807,399	
10	Maintenance	\$4,366,512	
11	Rents		
12	TOTAL (Enter Total of Lines 9 thru 11)	\$18,173,911	
13	Storage Operations (In Mcf @ 14.73 psia 60°F)		
14	Gas Delivered to Storage		
15	January	(849,135)	
16	February	(1,420,169)	
17	March	(4,201,642)	
18	April	1,687,729	
19	May	5,038,030	
20	June	8,776,630	
21	July	8,442,183	
22	August	4,758,952	
23	September	5,955,670	
24	October	(46,356)	
25	November	(3,117,226)	
26	December	(15,655,157)	
27	TOTAL (Enter Total of Lines 15 thru 26)	9,369,509	
28	Gas Withdrawn from Storage		
29	January	16,525,880	
30	February	13,253,758	
31	March	4,305,276	
32	April	(351,519)	
33	May	(1,678,335)	
34	June	(1,009,732)	
35	July	(1,468,831)	
36	August	(5,961,590)	
37	September	(3,807,840)	
38	October	(6,141,961)	
39	November	(20,661)	
40	December	(5,827,063)	
41	TOTAL (Enter Total of Lines 29 Thru 40)	7,817,382	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2011
GAS STORAGE PROJECTS (CONTINUED)			
Line No.	Item (a)	Total Amount (b)	
	Storage Operations (In Mcf @ 14.73 psia 60°F)		
42	Top or Working Gas End of Year	44,606,394	
43	Cushion Gas (Including Native Gas)	62,194,107	
44	Total Gas in Reservoir (Enter Total of Line 42 and Line 43)	106,800,501	
45	Certificated Storage Capacity (1)	137,505,300	
46	Reservoir Pressure at Which Storage Capacity Computed (1)		
47	Number of Injection - Withdrawal Wells	153	
48	Number of Observation Wells	62	
49	Maximum Day's Withdrawal from Storage	1,800,445	
50	Date of Maximum Days' Withdrawal	2/9/2011	
51	Year Storage Operations Commenced	1953	
52	LNG Terminal Companies (In Mcf)		
53	Number of Tanks		
54	Capacity of Tanks		
55	LNG Volumes		
56	a) Received at "Ship Rail"		
57	b) Transferred to Tanks		
58	c) Withdrawn from Tanks		
59	d) "Boil Off" Vaporization Loss		
60	e) Converted to Mcf at Tailgate of Terminal		
Notes:			
(1) Transactions relating to gas stored "for others" are not reflected on these pages. At December 31, 2011; 52,703,505 Mcf was stored for others.			

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2011
Distribution and Transmission Lines			
<p>1. Report below by States the total miles of transmission lines of each transmission system operated by respondent at end of year.</p> <p>2. Report separately any lines held under a title other than full ownership. Designate such lines with an asterisk and in a footnote state the name of owner, or co-owner, nature of respondent's title, and percent ownership if jointly owned.</p> <p>3. Report separately any line that was not operated during the past year. Enter in a footnote the particulars (details) and state whether the book cost of such a line, or any portion thereof, has been retired in the books of account, or what disposition of the line and its book cost are contemplated.</p> <p>4. Report the number of miles of pipe to one decimal point.</p>			
Line No.	Designation (Identification) of Line or Group of Lines (a)	Total Miles of Pipe (to O.1) (b)	
1	Integrated Natural Gas Systems		
2	Located in State of Michigan		
3			
4	Distribution Mains	18,784.5	
5	Transmission Mains *	2,423.6	
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22	* Includes Transmissions Mains for MichCon (1,899.78),		
23	MichCon Lateral Co. (459.25) and MichCon Gathering Co. (64.58).		
24			
25			
26			
27			
28			
29			
30			
31	TOTAL	21,208.1	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2011	
DISTRIBUTION SYSTEM PEAK DELIVERIES					
1. Report below the total distribution system deliveries of gas, excluding deliveries to storage, for the periods of system peak deliveries indicated below, during the calendar year.					
2. Report Mcf of a pressure base of 14.73 psia of 60°F.					
Line No.		Day/ Month (b)	Amount of Mcf (c)	Curtailments on Day/Month Indicated (d)	
Section A. Three Highest Days of System Peak Deliveries					
1	Date of Highest Day's Deliveries *	2/9			
2	Deliveries to Customers Subject to MPSC Rate Schedules		1,800,444		
3	Deliveries to Others		0		
4	TOTAL		1,800,444		
5	Date of Second Highest Day's Deliveries *	2/10			
6	Deliveries to Customers Subject to MPSC Rate Schedules		1,794,294		
7	Deliveries to Others		0		
8	TOTAL		1,794,294		
9	Date of Third Highest Day's Deliveries *	1/22			
10	Deliveries to Customers Subject to MPSC Rate Schedules		1,786,427		
11	Deliveries to Others		0		
12	TOTAL		1,786,427		
Section B. Highest Consecutive 3-Day System Peak Deliveries (and Supplies)					
13	Dates of Three Consecutive Days Highest System Peak Deliveries *	1/21 - 1/23			
14	Deliveries to Customers Subject to MPSC Rate Schedules		5,329,361		
15	Deliveries to Others		0		
16	TOTAL		5,329,361		
17	Supplies from Line Pack				
18	Supplies from Underground Storage		(3,934,613)		
19	Supplies from Other Peaking Facilities		N/A		
Section C. Highest Month's System Deliveries					
20	Month of Highest Month's System Deliveries	JANUARY			
21	Deliveries to Customers Subject to MPSC Rate Schedules		43,912,100		
22	Deliveries to Others		1,818,768		
23	TOTAL		45,730,868		

* Split of sendout on a daily basis is not accurately separable between MPSC rate schedule and Others.

AUXILIARY PEAKING FACILITIES

1. Report below auxiliary facilities of the respondent for meeting seasonal peak demands on the respondent's system, such as underground storage projects, liquefied petroleum gas installations, gas liquefaction plants, oil gas sets, etc.
2. For column (c), for underground storage projects, report the delivery capacity on February 1 of the heating season overlapping the year-end for which this report is submitted. For other facilities, report the rated maximum daily delivery capacities.
3. For column (d), include or exclude (as appropriate) the cost of any plant used jointly with another facility on the basis of predominant use, unless the auxiliary peaking facility is a separate plant as contemplated by general instruction 12 of the Uniform System of Accounts.

Line No.	Location of Facility (a)	Type of Facility (b)	Maximum Daily Delivery Capacity of Facility, Mcf at 14.73 psia at 60°F (c)	Cost of Facility (In dollars) (d)	Was Facility Operated on Day of Highest Transmission Peak Delivery?	
					Yes (e)	No (f)
1	West Central Michigan	Underground Storage Plant	371,000		X	
2						
3						
4	Southeastern Michigan	Underground Storage Plant	2,977,000		X	
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						

SYSTEM MAPS

1. Furnish 5 copies of a system map (one with each copy of this report) of the facilities operated by the respondent for the production, gathering, transportation and sale of natural gas. New maps need not be furnished if no important change has occurred in the facilities operated by the respondent since the date of the maps furnished with the previous annual report. If, however, maps are not furnished for this reason, reference should be made in the space below to the year's annual report with which the maps were furnished.
2. Indicate the following information on the maps:
 - (a) Transmission lines - colored in red, if they are not otherwise clearly indicated.
 - (b) Principal pipeline arteries of gathering system.
 - (c) Size of pipe in the principal pipelines shown on map.
 - (d) Normal directions of gas flow - indicated by arrows.
 - (e) Location of natural gas fields or pools in which the respondent produces or purchases natural gas.
 - (f) Locations of compressor stations, products extraction plants, stabilization plants, important purification plants, underground storage areas, recycling areas, etc.
 - (g) Important main line interconnections with other natural gas companies, indicating in each case whether gas is received or delivered and name of connecting company.
 - (h) Principal communities in which respondent renders local distribution service.
3. In addition, show on each map: graphic scale to which map is drawn; date as of which the map represents the facts it purports to show, a legend giving all symbols and abbreviations used; designation of facilities leased to or from another company, giving name of such other company.
4. Maps not larger than 24 inches square are desired. If necessary, however, submit larger maps to show essential information. Fold the maps to a size not larger than this report. Bind the maps to the report.

See Attached



MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL	December 31, 2011
FOOTNOTE DATA				
Page No. (a)	Line No. (b)	Column No. (c)	Comments (d)	
			Footnotes are included on pages 123.3 through 123.29.	

